

CANADA'S WEEKLY NEWSMAGAZINE

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Maclean's

FEBRUARY 28, 1983

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Showdown in Quebec

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Lévesque's
harsh stand

Will the PQ
survive?

Quebec Premier
René Lévesque



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CANADA'S WEEKLY NEWSMAGAZINE

Macleans

FEBRUARY 20, 1993 VOL. 20 NO. 7



Lalonde borrows time

More Lalonde's honeymoon as finance minister seemed to be over last week as critics berated him for seeking \$19 billion to keep the government solvent. —Page 20



The return of the earmuff

The lowly earmuff has been rediscovered by a new generation of Canadian women, and the podiatric headgear has become this winter's fashion craze. —Page 45

COVER

Showdown in Quebec

The Parti Québécois government of Premier René Lévesque introduced the toughest legislation in the history of the province to get striking teachers back to their classrooms. With the Québec economy in trouble and the PQ's labor support greatly eroded, both Lévesque and the party face their most serious period since taking office in 1978. —Page 26



CONTENTS

Books	52
Business	34
Canada	10
Cover	16
Education	44
Fashion	48
Film	50
Fellow up	8
Fetheringham	56
Gordon	9
Letters	4
Media	40
Newman	38
People	32
Photography	54
Technology	41
Television	46
World	24



A bankrupt dream machine

A last-minute political compromise rescued California from the verge of bankruptcy, but the state will still have to raise \$600 to thousands of residents. —Page 28



The looming wheat war

As a transatlantic feud over export subsidies heats up, Canada has been trapped in the cross fire, and it, too, is taking steps to save its world markets. —Page 34

A talent, a joy

I was pleased to see Kate Nelligan give some well-deserved recognition to Maclean's cover. Nelligan's Broadway Troubadour (Feb. 14) She has a wonderful talent and is a joy to work with, even under stressful conditions. I was a lot less pleased to read about "The Canadian standard, Mr. Palmer," in which Nelligan starred. As I told your reviewer-reporter, it has taken Heidi Van der Kolk and I a year and a half to win back the right to roast and reclaim the film the way it was written. A lot of money later, this has happened, and the film will be distributed worldwide, with its debut in Los Angeles at the American Film Market next month. I think you should wait until the new version comes out to decide whether or not it is a "bad," but, until it does, you might reread the lavish praise that Maclean's reviewer Lawrence O'Toole gave the film at Cannes (Something to Shout the Movie, Prime, Sept. 15, 1988). I just can't wait to read your verdict on the new, improved version of the film. Who will you get to review it—Galen Chang?

Hypocritical foreign policy

The *Afghan Relief Agency* (Dartmouth, Jan. 31) exposes the hypocritical nature of Canada's foreign policy. We sell the Soviets grain so they can have enough food for their population. Meanwhile, the Red Army practices a "scorched earth" policy in Afghanistan, bombing villages, burning crops, shooting animals, blowing up wells and killing defenceless civilians. When millions of



Mr. Palmer is now Nelligan's showman

Afghans flee to Pakistan, Canada generously spends millions of dollars to help them. On one hand, we ostracize South African rugby players because we object to apartheid. On the other hand, despite Soviet terrorism, we wine and dine their hockey players and interview them as celebrities. Have we lost our democratic principles and all sense of morality?

—ALBERT ERIC
Waterloo, Ont.

Just nameless Playboy bunnies

Your caption for one of the pictures in the Feb. 7 Media article, *Should You Pay for It?*, is most interesting: "Hugh Hefner with Newfoundland pigmeasles (Shamus Tweed: vehement protest)." Could it be that Twine's comments to the very perspective that inhibits against pornography are fighting the perspective that counts only two people in a picture of four? The others aren't real people, of course—they're nameless bunnies, right?

—BLAINE FATCHER,
Don Mills, Ont.

No such cruise remarks

Your Canada section of Feb. 23 carried an article under the heading *Cruise Comes to Canada*. Most of the article was factual so far as I could tell, except where you stated: "But critics like McKinnon and Paul McKee, a Liberal back-bencher, say that the cruise team may really be motivated more as practice for launching the man-of-war on the polar ice as instead of flying them along a central European path. As a result, they worry that the tests may indeed lead to an escalation of the arms race." McKee may well have made those remarks. I certainly did not, nor do I agree with them.

—ALLAN MCKINNON,
St. Catharines, Ontario

DECEASED James Kincaid, 50, the respected president of the British Columbia Federation of Labour, is a Vancouver hospital, after suffering a heart attack. The Scottish-born Kincaid, an electrical worker, had a reputation—not common among B.C. unionists—as a reasonable negotiator. He was acclaimed to his third two-year term as federation president last November.

DECEASED William deGuerre, 76, the painter who was best known for his seascapes—many of them created in Peggy's Cove, N.S.—which helped establish the village where he was a summer vacationist for more than 30 years as a major tourist attraction in an Shalermis, Ont., hospital. His work, such as *Approaching Storm*, was well recognized for conveying the atmosphere of the stern, rocky coast and its people.

DECEASED Brenda E. Cowling, 76, one of the Cowling Brothers Quartet, popular in the 1940s for barbershop renditions of such songs as *Macomber's Band*, of heart disease, in a Toronto hospital. The brothers were regular performers on radio as well as on local stations and served as "warm up" acts for Henry Goodman and Rudy Vallee in the Canadian National Exhibition.

SENTENCED Zdzislaw Romanowski, 43, a longtime Polish dissident and someone head of the underground radio station operated by supporters of Solidarity during martial law (Dec. 13, 1985, to Dec. 30, 1982), to six years in jail for "broadcasting false information," by a military court in Warsaw. His wife, Zofia, was sentenced to three years.

SENTENCED Frank Wills, 36, the security guard who, on June 17, 1972, discovered the Watergate break-in which eventually toppled former U.S. president Richard Nixon, to 12 months in jail for stealing a pair of \$15 sneakers, in Augusta, Ga. Wills said that he has had trouble finding jobs because so many people blame him for the former president's downfall.

ARRESTED Angelo Simoli, 36, and his brother, Alberto, 37, heirs to one of Canada's major publishing empires, Blackwell, which owns Italy's largest daily newspaper, *Corriere della Sera*, in Italy, in Italy, for charges of fraudulent bankruptcy. The company had been suffering financial problems partly due to cuts links with the now-defunct Banco Ambrosiano. Court-appointed creditors reported that about \$21 million was unaccounted for after a recent audit.



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The temper of the times

The writer who began editorial on our heads for the displacement of Japanese Canadians during the Second World War is perhaps not old enough to remember the temper of the times (Bookings: Budget for the Wings, Canada, Jan. 17). For years grievances to the relocation we had read of the slaughter of thousands of innocent Chinese in Nanking. During the early years of the war, reports of the rape of Canadian nurses in Hong Kong, the death marches after Singapore and Bataan

and the widespread, fully documented atrocities committed in the name of Emperor Hirohito went seldom absent from our newspapers. Under those circumstances, the removal from a defenceless West Coast of a suspected fifth column was a move that aroused general public consensus. Of course the action was brutal and carried out in the fouled-up manner that was a trademark of the government of the day, but we Canadians do not really have to wear guilt around our necks for the fabled atrocities.

—SHANLEY R. SEDMAN
Midland, Ont.

Condescending to Canadians

The letter from a U.S. subscriber printed in the Dec. 27 issue reflects once again the supercilious, condescending attitude typical of Americans who simply assume that Canadians share values and a common historical background with them. The difficulty Americans have in realizing that we, as a nation, have our own standards (despite our low population) perhaps indicates the deficiencies in the U.S. educational system and the lack of consideration for any other people outside the United States.

—P. NAUREN-CARRALL
Berber, West Germany

Burying a new career

In a letter to Maclean's (Jan. 11) Peter Worthington said he would support the Liberals under John Turner but would not join them. He joined the Progressive Conservatives but would not support Joe Clark. How he can still be taken seriously is beyond belief. Worthington's statements and actions in the past few months have been bizarre. Fortunately for Canada, he has successfully buried his political career.

—EDWARD HICKINGHAM
Vancouver

A warrior's reward?

On reading the Canada article *A Hero Taken on the Grenada* (Jan. 30) about Brig. Dillard Mironid using Gen. Jacques Desrosne and Gen. Jean-Victor Allard for defamation of character, I note that Mironid received the Distinguished Service Order for his gallant services in leading his men for six hours during the Diego attack despite being wounded five times. Why was he not awarded the Victoria Cross? Maybe his separatist attitude was born thereafter.

—JOAN COHEN
Edmonton

Up against the healthy Soviets

Once again our overpaid, high-sticking amateur sports players have been exposed. (The *Marathon* idea of the *Red Machine*, Sports, Jan. 17) Surely they must know by now that the game requires a high degree of conditioning and discipline. The Soviets are beginning to warm up halfway through the third period, while our guys are dragging their feet. Furthermore, say what you wish, explain it as you like, the outcome rather than the enjoyment of the game is nonsense. I, for one, did not enjoy the embarrassment.

—PETER SKOONJESTER
Sudbury, Ont.

Letters are edited and may be condensed. Writers should supply an address and telephone number. Most correspondence is published in the *Editor's Mailbox*. Send to: J.J. University Ave., Toronto, Ont. M5S 1A7.



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Unravelling a massive scam

By David Thomas

A paunchy, middle-aged man walked into the downtown Toronto office of Mercury International Translucence Agencies Ltd. on Oct. 28, 1981, and traded a successful of counterfeit money orders for a staggering \$14.4 million in cash. The man, returned to Montreal and wired most of the loot to a branch of a Canadian bank in Nassau. That daring and little-noted fraud immediately forced Mercury—which was not insured against the loss—into bankruptcy, bringing down the already financially shaky business empire of Newfoundland's Andrew Gosselin in the process. It also struck Mercury's 500 creditors—banks, international traders and ordinary tourists—with \$7 million in worthless cheques and money orders issued by Mercury in foreign exchange transactions (*Maclean's*, Dec. 28, 1981). Now, in what is thought to be a first in the annals of Canadian bankruptcies, Mercury's creditors will, in fact, get more than they were owed.

Bankruptcy trustee Richard Messier of the Montreal office of Clarkson, Gordon & Co., a bankruptcies law firm, has cracked down \$2.5 million of the missing \$2.4 million. The cash seized in the Bahamas, the \$6 million of Mercury's assets not sold to Bank of America Canada Ltd. and \$1.25 million that Bank of America Canada paid the trustee for the purchase of Mercury's name and its operations—30 currency exchange kiosks at five of Canada's major airports—added up to a sum that exceeded total debts to creditors. That amount increased steadily at last year's high interest rates while Messier sorted out part who was owed how much. Payments from the pool were made in instalments throughout 1982, and by last December Mercury's creditors had received dividend cheques from Messier that brought their total recovery to 100 per cent of their original claims against the company. The trustee also told them

that they could expect a share of the interest earned by their money while it was in the trustee's control.

Before Messier faced the worried group of creditors at Montreal's Queen Elizabeth Hotel a few weeks after the crime, the Toronto fraud squad's Sgt. Herbert Lowe had informed the trustee of the identity of the man who committed the fraud. He was Lakeland

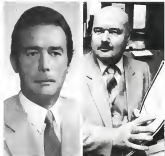
agreed it beyond the reach of Canadian police but what he—and any unknown persons who may have helped him—failed to anticipate was that the fraud would send Mercury into bankruptcy. In such a case, bankruptcy trustees like Messier can ask Bahamian courts to seize bank accounts. Consequently, although Canadian police were helpless, Messier was able to get a Bahamian court order to seize the transferred funds.

The police investigation revealed that in the year after the crime Harbord had blundered across the Caribbean to a final haven in his native Guyana. But it was hardly an idyll of rest and peace and plenty he found there. He was steadily growing more unhappy, with the police hot on his trail, the fruits of his fraud frozen in Nassau and his wife refusing to quit Canada with their child to join him in the wintry South American nation. So on the first anniversary of his crime Harbord called well-known Toronto criminal lawyer Edward Greenspan to say that he wanted to surrender. In one brief court appearance in Toronto on Dec.

8, 1982, he pleaded guilty and was sentenced to four years in prison (he will be eligible for parole after serving 18 months of his sentence). Greenspan notes that his term would have been significantly shorter had he co-operated with police in finding the still-missing \$1 million and any accomplices he might have had.

Both Greenspan and Lowe are certain that Harbord has not secreted away the missing \$1 million. He somewhere someone else is enjoying the fruits of the fraud. The lawyer and the detective speak almost prophetically of Harbord, describing him as an educated first offender who got carried away with the dream of instant fortune and who now must live with the fear that his accomplices will not trust him to remain silent. Says Lowe: "Conscience is biting within me, but he refuses to talk."

With Ann Pilkington in Toronto



Messier (left), Sgt. Lowe, a dragnet throughout the Americas

Harbord, alias Richard Pellegri, a 36-year-old Guyana-born Canadian citizen who had, just before the Mercury fraud, tried to cash a successful of suspect money orders in Montreal. Strangely, the former pharmaceutical salesman used his real name and offered as a reference a legitimate local bank account number 8011, the Montreal bank refused to cash the paper, and after hearing about the Mercury fraud bank officials alerted Toronto police. Mercury staff were able to confirm the subject's identity from photographs taken by the Montreal bank's automatic camera. After his fingerprints were found in immigration files in the United States, from where he had once been deported, Interpol had begun a dragnet throughout the Americas.

Harbord had hoped that by wiring the money to Nassau, even though it was a branch of a Canadian bank, he would

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Building bridges between nations

Javier Pérez de Cuellar of Peru emerged as a compromise candidate for the post of United Nations secretary-general in December, 1981, when Kurt Waldheim failed to win a third five-year term. But, after losing over the job in January last year, the 65-year-old career diplomat has hardly compromised. In his first annual report, released last September, he harshly criticized the organization's inability to resolve international disputes. A soft-spoken, elegantly mannered man, Pérez de Cuellar seems determined to restore the tarnished prestige of what some critics dismiss as "the debating club on the East River." Maclean's contributing editor Rita Christopherson spoke with Pérez de Cuellar in his New York office.



Pérez de Cuellar: "It is not very easy to shape the world."

Maclean's: Do you agree with the general feeling in the West that the United Nations has become the ideological stamping ground of the Third World and that this diminishes its effectiveness?

Pérez de Cuellar: It is unfortunate that people judge the UN only from the point of view of the Middle East question, whether the majority of the UN General Assembly votes with the United States on this specific issue. But I think that we have to keep in mind two very important things. First of all, the UN is an organization of governments. Second, it is a democratic organization in the sense that, in the General Assembly, all nations are represented. If there is a majority, there is nothing you can do. But the UN General Assembly just recommends; it does not pass decisions.

Maclean's: You personally have been critical of the way in which the United Nations functions.

Pérez de Cuellar: Of course, I am a critic. But in a positive sense I said we should make an assessment of the organization. Within the framework you now have, we can improve the organization very much. In the political area, for in-

stance, the General Assembly has a great advantage in that it can set problems, which is psychologically very important. I always recall the comparison made between the General Assembly and the office of a psychiatrist. Sometimes the patient gets relief by telling you about his frustrations. The General Assembly has this advantage—the countries say whatever they want and they feel a kind of relief because their problems have been listened to and considered.

Maclean's: Do people not have a right to expect more than poetic relief from the UN?

Pérez de Cuellar: Of course, but we have to realize that the General Assembly is a democratic body. The public in member countries should not complain because sometimes, for instance on the Middle East question, the Third World

votes against Israel or against the United States, even though Israel and the United States are not the same country. In the case of Southeast Asia, the same Third World majority votes with the United States against Vietnam and the Soviet Union, which is an ally of Vietnam. You have the same thing in the case of Afghanistan. There you have the bulk of UN members voting against the Afghan government, disavowing that the Third World maintains a position systematically against the Western world.

Maclean's: Yet the UN has had very little success in the past year on substantive issues of war and peace—with the Falklands crisis, for example.

Pérez de Cuellar: I had more success than Alexander Haig. I must say, because I wanted a little closer to the parties. I do not know how many discussions I had with both the Argentines and the British after Mr. Haig failed, but I was not an arbiter. I did not have the powers to impose a formula on both parties. I

presented proposals but ideas for discussion. If, at some stage, one of the parties says, "Well, look, I cannot agree with this formula," the exercise is over. Then I feel frustrated, but I was not offended because the Argentines did not accept the last British proposal—they were not committed to accept what the British proposed. That does not mean that the UN failed. It was the fault of the governments, not the mechanism.

Maclean's: You have an annual budget of \$1.5 billion. There is a general feeling that the UN is spending too much for too few results.

Pérez de Cuellar: We face two different problems—to raise the morale of the staff and to attract high-level people. We are not attractive because the salary is too low. I am trying to see whether we can have better co-ordination or activities, to see whether there

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is some duplication of efforts, to say if we can streamline our personnel. Of course, this is a 35-year-old bureaucracy, and it is not very easy to shake the house, but I am trying.

Maclean: Is the failure of the UN to solve world problems the fault of the United States and the Soviet Union?

Peter de Cadt: We have not had an atmosphere for consultation and dialogue [The problem] is really the lack of communication between the two axes, East and West, and North and South. I hope that 1983 might bring the beginning of a dialogue that would amount to

the beginning of a dialogue.

Maclean: When Canada's Lester Pearson was president of the General Assembly in 1955, there was a great deal of talk about the so-called middle powers taking the lead in UN affairs, instead of the superpowers or the Third World. All that seems to have faded.

Peter de Cadt: That is regrettable. Mr. Pearson was an excellent General Assembly president and he was the man who actually created the peacekeeping operations which are one of the greatest achievements of the United Nations. For us, Canada, which has been so

helpful to all UN efforts, is one of the key countries. Sweden, another middle country, is an extremely useful country, as is Japan. I do not like the idea of two superpowers because, if you think all the problems have to be settled by the superpowers, then what is the use of the United Nations?

Maclean: The United States set up peacekeeping operations in the Sinai as a result of the Camp David agreements and it is also supervising the current peacekeeping operations in Lebanon. Does it upset you that these are not UN operations?

Peter de Cadt: Of course, I could not say that I like the idea, for instance, of the multinational force in Lebanon. The only thing that is a consolation for me is that it is not because the United States, France and Italy did not want the UN to be there. It was because of the systematic distrust that the Israelis have of the United Nations.

Maclean: One of the most glaring anomalies of the UN is that within the organization there are countries that wield great power when, in the reality of international affairs, they are hardly significant factors—Singapore and Sri Lanka, for instance. On the other hand, there are significant international powers like Japan that have a negligible role at the UN. How do you explain that?

Peter de Cadt: Japan has an important role. It has just left the Security Council and it is extremely interested in the whole question of disarmament. Japan is also very supportive from a financial point of view. But it is sometimes a matter of personality. Among the developing countries you have Algeria, which sometimes takes a leading role, and, of course, India. Yugoslavia plays an important role because it is a bridge between East and West. Some countries are much more influential than others; Egypt, before its present troubles, was very influential. So are Yugoslavia and Canada.

Maclean: There was a time when ambassadors to the UN were figures of enormous stature on the international scene—Lester Pearson of Canada, Henry Cabot Lodge and Arthur Brown of the United States, for example. Now UN ambassadors usually come from the more anonymous ranks of professional diplomats. How do you view this change?

Peter de Cadt: Now you don't need a very high-level ambassador at the UN if everything is dealt with by the foreign minister or by the head of state. Of course, I am a career diplomat so I do not like a situation in which all the problems are solved at a very high level. I think it is even dangerous. If you discuss at a very high level, there is no further room of appeal. ☐



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THE PRINCE OF WALES (1952-1959)



After dinner ends,
the evening begins with a Café B and B.

COLUMN

The first ball, but no first strike

By Charles Gordon

Canada and the United States live side by side in what could be called an uneasy relationship. It could be said that if the Americans were angry. They're not, so call it a partly uneasy relationship. It is partly uneasy and it is complex. Nothing illustrates this better than the two things that are most on Canadians' minds as we enter the last week in February—the cruise missile and spring training.

Even as we speak, even as thousands worry, in variously vocal ways, about cruise missile testing in Canada, the pitchers and catchers are on their way to Florida. This is a phrase that means nothing to people who don't love baseball, but to those afflicted by baseball fevers, it speaks volumes. The pitchers and catchers begin spring training a week before the outfielders and infielders. So no one remembers how or why this started, but it did and it survives.

It is an important landmark of the year, therefore, when we can look at each other knowingly and say, "Well, the pitchers and catchers are headed for Florida." We can picture them, the Canadian baseball heroes, Steve Rogers and Gary Carter, Dave Stieb and Buck Martinez, checking the old glove and spikes into the back seat of the family jalopy as some cold, snowy suburban street in Toronto or Montreal, leaving their kids goodbye (although shaking hands with their sons), then, just before they drive off, saying "Goodbye, but see you at the all-star game." Baseball players always talk their wives "hoo," at least in the months that baseball fans see. Baseball fans sometimes call their wives "hoo," and it gets them absolutely nowhere.

When the baseball players get down to Florida, they do enthusiastic, sign autographs, then thank with the guys, spend a lot of time with the trainers, chew tobacco and chase fly balls at a lawlessly pace in the outfield of some air-conditioned ball park. Sensible Canadians all wish they could be down there with them, but sensible Canadians are stuck up here thinking about the cruise.

If they thought about it a little more, if they took their minds off such things as the latest destruction of the planet, they would see that the cruise missile needs spring training too. It is not easy to be a cruise missile. You don't get to be one just by volunteering. There are restrictions of this in the missile, the cruise missile is supposed to follow

when it is tested. First, it has to be fired out of a B-52. Then it has to fly over the Northwest Territories, northern British Columbia and Alberta—all of this on a banner to Washington's Feb. 19 note proposing the general weapons testing agreement. He had the honor, he said, to refer to recent discussions between the two governments. Then he had the honor to propose an agreement. Finally, there is a single-paragraph paper in which he did not have any honor at all, he had the honor to propose that his note constituted an agreement.

This does not, in itself, explain why northern Alberta, specifically, is to be honored as the host of the cruise missile's spring training. But, background notes put out by the department of external affairs do "Testing in Canada," External Affairs says, "would take advantage of climatic and terrain conditions not available in the United States." The United States, External Affairs says further on, wishes to test the cruise missile "over extensive stretches of flat, featureless, uninhabited northern terrain." This is the department of external affairs' way of saying that northern Alberta looks like Siberia—at least to a cruise missile, as well as to most members of the Liberal party. Siberia is a place over which the cruise missile might some day have to fly—although not first, as noted previously.

To a cruise missile, as well as to most members of the Liberal party, northern Alberta looks like Siberia'

One thing for the cruise to work on. One is staying low. Cruise missiles are supposed to stay low. "They can get high," they will tell the cruise missile at its spring training. The other thing is not to strike first. The cruise missile's negotiators have been saying for years that it is not a first-strike weapon, so this is another thing the cruise missile will have to learn at spring training: be patient. Lay off the first strike.

The cruise missile needs northern Alberta, and our ball players need to head off to Florida. But it is not quite as simple as that. Most of our ball players are actually in Florida already, because they love there. If they don't live there, they live in California. They don't live in Canada. Some of them live in Ohio so they can spend the winter home in "fisher." As for the cruise missile, it is not as we have seen, actually from northern Alberta. You can see what people mean when they say that this is a complex relationship.

But it comes more clearly into focus when you consider why the cruise missile needs to train in northern Alberta and why the ball players need to train in Florida. Part of the reason the cruise

missile needs to come to northern Alberta is to bring home to Canada. Canada gets home by honoring its commitments. This can be seen in the Canadian note proposing the general weapons testing agreement. He had the honor, he said, to refer to recent discussions between the two governments. Then he had the honor to propose an agreement. Finally, there is a single-paragraph paper in which he did not have any honor at all, he had the honor to propose that his note constituted an agreement.

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This is not the first time that the United States has shown an affection for aspects of the Canadian landscape. You will remember that U.S. astronauts practicing for a moon landing spent some time training in some of the less scenic areas of the United States, before at the time that the apt bore a close resemblance to the surface of the moon. Some Canadians occasionally think that our landscape is all the Americans love us for, although that was before they knew how lonely we were by this time.

Besides, there is a mutuality, as the diplomats say, in all of this. At the end of February, Florida provides climatic and terrain conditions not available in Canada—to wit, flat, featureless, uninhabited fields not covered with snow. There is not a lot of debate down there over the testing of baseball players from Canada. This may be because baseball players were never intended to carry nuclear weapons.

Charles Gordon is a columnist for the Ottawa Citizen.

Lalonde borrows money and time

By Ian Anderson

When Marc Lalonde came under hard and angry attack in the Commons last week, it looked as though his five-month honeymoon as minister of finance was rapidly coming to a close. The outrage came when Lalonde announced that he would seek parliamentary authorization for the government to borrow \$10 billion to tide it over into the summer. When Lalonde declined to give further details about how the money will be spent, opposition critics reacted angrily. "We have a minister who says, 'We want \$10 billion, trust us.' But everything he has said leaves us with no ground to trust him," said Mississauga Tory Don Brinkner.

But Lalonde hopes that whatever trust exists will hold until spring, when he brings down his first full-fledged budget. And the evidence at that time, he has been his overriding concern for the past three months. In a sharp, and restless, contrast to his predecessor, Lalonde has been engaged in the most public budget-drafting exercise in Canadian history. Since December he has consulted with 15 major business associations, four major unions groups and every corporation president who came calling with advice. Twice he has consulted his special eight-person economic panel and he has also been bolstered by virtually every member of the Lalonde caucus. The consultations have been varied—debate, debate, hold the line. But everyone has had a hearing. "There isn't a single chief executive in the country who doesn't think he has written a paragraph of this budget," said a Lalonde insider last week.

Wagging in the Lalonde is how Lalonde intends to stimulate a moribund economy with the budget he promises before April 1. Many signs point to a relatively conservative budget, with the "reflators" in cabinet—those arguing for increases in government spending—losing out to the "pragmatists" who say that such tactics will kill a speedy recovery by crowding out borrowed money. Virtually every institutional economist in the country has warned against massive inflation. "We're not asking the government to reduce the deficit, we're asking them to hold the

line," said Robert Bagley, a top economist with the Royal Bank of Canada. And Lalonde indicated that he will be doing exactly that.

The key element in Lalonde's Commons financial statement last week was the forecast that spending would rise by \$4 per cent for the government's 1983-84 fiscal year (April 1 to March 31). The signal that federal deficits would re-



The minister answers for the deficit, everybody thinks they are writing his budget

main alarmingly high, at an estimated \$20 billion next year, compared to \$27.2 billion in 1982-83, had Tories hopping from their benches in attempts to skewer Lalonde for stifling chances of recovery. The criticism was offset by better news, however—that inflation had slowed to 8.5 per cent and that the bank rate had dropped to 11.25 per cent. Economists, and the world financial markets, indicated that Canada's projected 1983 deficit will be manageable. "There's not too much to crowd out," says Peter Martin, chief economist for

Malcolm Young Weir Ltd., a Toronto investment firm. "The companies are actually trying to reduce their debt load. And, while the private sector is not borrowing the average Canadian is 'Bank with cash,' according to Bagley. "He's paying off his credit cards and putting his personal balance sheet in shape." However, the single biggest concern for Lalonde is whether the United States can get its economy whirling again. U.S. Federal Reserve Chairman Paul Volcker and the economic establishment will have to fight on three fronts to do so—against a stalled recovery, renewed inflation and a world financial system teetering under the enormous weight of bad loans to crippled Third World economies. "Because of the central position of the United States in the world economy, people think Volcker is more concerned about the international financial system than inflation," says

Wendy Delaney, executive director of the C.D. Howe Institute.

With such cynicism abroad, Lalonde should be relieved, despite the eruption of last week's Gillespie affair (following story). As finance minister, he has enjoyed relatively good fortune. The bank prime rate dropped to a four-year low last week at a time when Canada's inflation rate is declining. And those were indications of a quiet world of confidence in the dollars course. Lalonde has uttered and an expectation that he will stay the course. □

Deal over energy generates heat

It was a parliamentary drama that raised opposition heckles and throwing questions about the use—and abuse—of public office. At the centre of the controversy was Alexei Gillespie, the former Liberal energy minister. At issue were his manoeuvres to set up an energy deal supported by a hefty federal grant. When details of the deal emerged in a Canadian Press story last week, the Conservatives moved in the Commons. They questioned the propriety of Gillespie's request for the money—and of former energy minister Mary Laframboise's assent. And although an angry Pierre Trudeau dodged questions, his battered party was stung by accusations of Liberal pay-offs.

The Commons storm rumbled around Gillespie's activities in the wake of his defeat in Toronto in the May, 1979, federal election. As energy minister since 1975, Gillespie had heard of South African technology to convert coal into gasoline. In October, 1980, he formed a company, consortium and set out to find government money for a feasibility study. On Sept. 25, 1981, Lalonde and his Nova Scotia counterpart gave the consortium \$1 million from a \$10 million fund. And, although the study concluded that eight processes were not economical, the consortium recently applied for a further \$750,000 to continue three other conversion schemes. Meanwhile, Gillespie, who put \$25,000 into the business, has an agreement that he can sell out for \$500,000.

The Conservatives charged that both Gillespie and Lalonde violated federal conflict of interest guidelines which state that former ministers must wait two years before lobbying any department or agency that they represented during their last year as minister. Ministers must, moreover, that dealings with former colleagues "do not provide grounds for the appearance of grounds for allegations of improper influence."

The bureaucrats were more astute than their bosses in deflecting potential risk. The consortium's grant came from

a \$9.5-million fund to reduce Nova Scotia's dependence on imported oil "for fuel in the generation of electrical energy." Since Gillespie's passage, did not slash power bills, the officials, instead of upping the agreement themselves, took the unprecedented step of asking the ministers to sign the contract. "We had doubts about the propriety of the project in terms of meeting the criteria," says Phil Rand, the co-chairman of the fund's management committee. "But I stress that the project will have some good possibilities."

In the Commons, Trudeau and there was no mention of money once Lalonde did not sign it until September, 1981, 37 months after his defeat. That defense triggered a vicious exchange with Conservative Opposition Leader Erik Nielsen. When Trudeau insisted that Nielsen's moral standards were "as



Gillespie: the bureaucrats were more astute

low" that his judgment "means absolutely nothing," a furious Nielsen countered that he would stick his standards against Trudeau's "back to 1942"—an obvious reference to the fact that Trudeau did not sign up to fight in the Second World War. Gillespie himself last week said that all he did was ask the energy department "whether the project would qualify under the oil distribution fund," and he dismissed his critics as "irresponsible." That was not likely to calm the storm.

—MARY JOHNSON in Ottawa.

A backroom gain for Joe Clark

It was a decision that everyone had expected but it could also be seen as a sign that Joe Clark has not lost his business shrewdness or his last job. The Progressive Conservatives decided on Saturday that they will meet in Ottawa, June 8 to 11 to select a new leader. The decision by the party's executive committee last weekend both helped Clark's cause. The O.C. position is clearly preferable to any of the other contenders either because it is home to no other candidate. And the June date will make it more difficult for two serious Clark rivals, Alberta Premier Peter Lougheed and Ontario Premier William Davis, to find time to enter the race. Early next week the first Clark opponents are expected to throw their hats into the ring.

The executive meeting itself, held in Ottawa, was strained. "I thought there would be a long debate on the issue of holding out for the fall or another cry," growled an anti-Clark executive member. "But we never even got into it really—the Clark people have a majority and they used it to Mordenize manifestos."

All major executive decisions approved to help Clark's cause, or at least not damage it. For one thing, parliamentary leader Erik Nielsen agreed that the party legally requires an interim leader to sign candidates' nomination papers and to appoint an agent to raise money. Then he claimed, however improbably, that Liberal Senator Keith Dwyer may be planning a snap election call on April 25 for a vote on June 13. Perhaps because by that unlikely summer, the election would be 12 to 1—with one statement—to ask Clark to build those election get-outs, even though he had just resigned as party leader. Ontario vice-president Robert Hicks, who opposed the motion, and Saskatchewan vice-president St. Laurent, who abstained, opted to make the request unanimous. Later, the pre-Clark group moved to hold the convention before June 15 to claim that it would not conflict with a late-June royal visit. Throughout last week, some prominent Tories—including many MPs and the directors of the P.C. Canada Fund—started a last-minute push for a fall convention. They were easily won late. The early June election, called by 22 to 8 votes. The executive then formed 18 subcommittees to draw up rules for the convention. Meanwhile, the race is now on—and Clark, at the beginning of the week at least, still had the lead by default.

—MARK JOHNSON in Ottawa.



Tropical St. Lucia: sunny nature caught in a dusty double shot

Communing in the Caribbean

It was easy enough for winter-weary Canadians to be lulled—on a peninsula of Pierre Trudeau's petting-pond, this week at the tropical island of St. Lucia. Even the prime minister's officials acknowledged that the agenda for the meeting of Commonwealth Caribbean leaders (plus Trudeau) was left loose for free-wheeling talk. Nobody predicted either momentous diplomacy or decisive agreements. The statements promised in mind to be another of those distinctively Commonwealth conferences: a second gross national seminar on current affairs, without the pressures of deal-making or decision-taking. But however breezy the beach-front atmosphere might be, there was no avoiding the concerns and dangers that the world economies has exposed on the region. As a Canadian committee read in a recent study of the area, "Poverty is a starkness for social choice."

Like other poor Third World countries, the Caribbean nations are caught in a nasty double bind that the recession has created. First, rich-country demand for many of their commodities has slumped—whether for Jamaica's bauxite, Trinidad and Tobago's oil or the foodstuffs from a wave of other islands. And prices have fallen along with demand. Second, international banks have tightened their credit, and now offer fewer loans amid the continuing fear of defaults that is sweeping through the international banking system. That means that deficits cannot so easily be covered by bank loans.

The reassurance of the Caribbean prime ministers to these troubles have been as

different as the countries themselves. They range from the rhetorically fard Marxism of Grenada's Maurice Bishop to the businessmen's free enterprise of Jamaica's Edward Seaga. For his part, Trudeau could only reaffirm Ottawa's January 1981 assessment—that the region would benefit from as an area of foreign policy concentration and that would double by 1984-87. Officials will insist that total aid, including funds channelled through international agencies, will rise to about \$80 million a year in 1986-87, from \$35 million last year. In fact, however, bilateral aid to the Commonwealth Caribbean has declined to about \$30 million, from about \$36 million in 1981-82.

If Caribbean leaders have yet to see the true role of the powerful Canadian aid money, they are also wanting the full effect of the so-called Caribbean Basin Initiative proposed by Ronald Reagan last February. Congress has passed the president's \$200-million (U.S.) special aid package. But it still has not approved his plan to give U.S. firms tax credits for investing in the Caribbean and to provide duty-free access for most Caribbean exports into the U.S. market. Canada's trade record is better, according to federal officials, who may that 96 per cent of Caribbean exports enter Canada duty free. Even the U.S. aid figure itself is misleading. Fully \$258 million of the \$390 million was directed to one country—St. Salvador—and it does not even have a Caribbean coast. Caribbean recovery clearly will depend not on aid but on a healthier and firmer world economic system.

—DANIEL PLATT in Ottawa

Kirby lands some answers and cash

Like an irascible poet, the Atlantic fishery has mostly resisted forces for many of its chronic ailments. More than 100 official commissions have studied it for more than a century. Michael Kirby's report last week was an attempt to find out why, with so many diagnoses and prescriptions at hand, key parts of the business have tottered continuously on the brink of disaster. After 10 months as the head of the Task Force on Atlantic Fisheries, which visited 40 communities and held 135 meetings with fisheries groups, the former federal bureaucrat had his answer. Ottawa accepted 50 of the 57 recommendations, notably the calls for new income provisions and federal spending of \$180 million over five years to restructure the industry. The report ran across the waterfront and beyond, with proposals for decade grafting and icing of fish at sea. "I hope our report starts a thorough debate," Kirby declared.

It did. Reaction from politicians and fishing industry spokesmen ranged from strong support by federal Fisheries and Oceans Minister Pierre De Bauld to guarded scepticism by some businessmen and outright ridicule by Kirby and Canada, president of the Newfoundland Fisheries, Food and Allied Workers Union. Critics called the findings "a snake and mirror" report that "drew a blank" in critical areas. Other observers said that Kirby's real impact will be felt only after concurrent negotiations on restructuring the four great East Coast fish companies are completed—perhaps within a few weeks.

Since he received the report last November, De Bauld managed to convince his cabinet colleagues to earmark the \$180 million and to adopt his version of Kirby's recommendations, which now become the basis for a new federal fishing policy. Ironically, at one point, after overseeing federal strategy in the Constitution, Kirby was tapped to become deputy fisheries minister. Instead, he was appointed a full-time federal vice-president. One key change will be a different system of guaranteed quotas, which is aimed at evening out the fishing season and preventing the race to the catch that has traditionally deluged fish plants during short summer drives when approved a new plan under which a license belongs to the fisherman—and does not come with the boat. As a result, the right to fish may be bought, sold or traded freely. Kirby's finding that half the region's 24,000 full-time fishermen earned less than \$5,000 from fishing in 1981 convinced

the government to agree to a more generous unemployment insurance scheme that pays payments to a fisherman's 10 best earning weeks, not simply the last 16 weeks. The government will tighten access for foreign fishing boats to Canadian waters. Ottawa also agreed to spend \$25 million over five years to advertise and promote sales of Canadian fish abroad, encourage fishermen to land better quality fish, and urge provincial legislation allowing collective bargaining for marine fishermen. "Some things in there look good, but we're still in deep trouble," said a cautious William Williams, a fisherman in Lunenburg, N.S., who remained aloof Thursday to watch Kirby as television.

De Bauld's reaction was similar, although the Gaspé, Que., area wants to go further than Kirby in key areas, such as finding ways help for the thousands of

ex-fight will come over the restructuring of the industry's Big Five—the two Nova Scotia companies, National Sea Products Ltd. and H.B. Fisheries & Sea Ltd., and two Newfoundland firms, Fishery Products Ltd. and the Lake Group. All but National Sea are virtually bankrupt, and, in fact, their plight led to the creation of Kirby's task force in the first place. The three have said that while the government will inject money to help them, they must be restructured because "we do not want the industry to rely on government handouts again and again and again." Options range from outright nationalization to various combinations of emergency. The outcome will bear on the effectiveness of parts of the Kirby report—and it will certainly have an impact on troubled communities like Lunenburg, N.S. (following story). "We have

I see the b'y that blocks the boats

Michael Kirby's "deep corrective surgery" for the Atlantic fishery's ills already has at least one unwilling patient. When the 1,500 residents of Berne, a town scattered loosely along the rugged rocky shore of southern Newfoundland and the Strait of Fundy, were told that the town's fish plant and only employer would be shut down permanently in three months, they applied emergency measures of their own—a strike. The strike has not surely closed the 40-year-old fish plant, even earlier than planned but has also left one company-owned dragger tied up at the wharf and idled 55 plant workers and 136 crewmen. The confrontation is now between two worlds—the corporate boardroom in St. John's and an old, proud fishing town. It is the kind of dispute that Kirby acknowledged to be inevitable last week when he proposed that numbers of fish plants would have to close.

The closing of the Berne plant was announced last November by Fishery Products Ltd., the company's new restructuring operation by transferring production to the company's modern 10-year-old plant at Marytown, 15 km away. Berne plant workers who did not get jobs in Marytown would be absorbed elsewhere, and Berne sidings would go to making the company vessels, delivering their catch to other plants. Berne Berne, where fish packing is much less essential as an economic mainstay, people were shocked at what they perceived as the "death of our community" in late December they set up a 24-hour picket line which has kept the Berne plant idle and has ensured that the company fleet cannot sail away. "We know the draggers left they weren't coming back to Berne anymore," says Mayor Lou Bailey, head of the Berne Action Committee, which started the protest.

"The difficulty is that we cannot get other towns to realize that they're in almost as bad a position as we are and to open their boats, too. The latest chapter in the blockade took place last week when two tractor trailers pulled into the plant yard to load fish. A crowd of townspeople swiftly gathered at the gates, loudly demanding what to do that



Mayor Bailey of Berne, it began with the dragger, now the townspeople won't let it idle

most fishermen on the lee and of the season's work. Also, De Bauld wants to go beyond Kirby and increase the government role in foreign marketing of fish—as an area in which fish companies are seen as lacking sufficient initiative and aggressiveness. The industry, not

to know whether we are dealing with wind-swept corporations or an improved processing enterprise to know whether many of the recommendations are going to be effective," says Allan Ballard, executive director of Nova Scotia's Eastern Fishermen's Federation.

The activist De Bauld is believed to be defending the more radical social proposals for government intervention against forces who view fisheries policy as strictly business. However, the Atlantic terms out, Kirby's efforts seem destined to do more than simply ponderous on earlier studies on the shelf.



Kirby, not to worry

—MICHAEL CLARKE is in St. John's, and Julie Van Duyn in Ottawa.

But De Bauld's tough-

answer came with a growl as the town's backhoe pulled up and started looking for a broken motor man, and, in the process, dug a 2-m-deep trench across the plant entrance. A giant jolt, Mayor Bailey told two RCMP officers summoned by the company, but a poor little town like Burnt could not afford to pay the overtime to fill in the trench on the weekend. While the backhoe was doing its work, council reinforced its decision by declaring a state of emergency, under which large trucks are not permitted on town streets.

For most Burnt workers, the daily drive to Marystown is not the issue. Rather, according to Bailey, the fight is about a "mismanaged, bankrupt" firm. He argues that the owners should not be allowed to end the town's centuries-old way of life—self-sufficiency and independence—to fit a corporate model master plan—especially since the firm has had \$16 million from the Canada Development Corp. already and last November asked for more. "The plant has made money all its life. It just doesn't make sense to close it down," says Bailey.

The charges irritate Fishery Products President Gus Ritchey, who insists, "Don't try this company in a destroying a community. That's false. All we're trying to do is insure that that community is going to have more stability and security and employment. A 10-year drive to work is nothing." Ritchey says that the Burnt plant, although one of the most productive in Newfoundland, is losing money and would cost \$10 million to reconvert. Marystown is only running at 50 percent of capacity," he adds, "so we would be bloody irresponsible not to do this. And Burnt is only an example of what the Canadian industry will have to face."

Ritchey has refused to open his books to confirm that the plant is losing money, a move that Bailey acknowledges would mollify the protesters. Meanwhile, the town awaits government responses to the anti-secessionists' "blatant" for nationalizing the industry—a scheme that might help towns like Burnt.

But, in fact, in the history of Newfoundland's fishery there are no other towns like Burnt—the father of the modern fishery. Baquet's father, Peter, founded it as early as the 16th century, but when the current plant was built in 1940 it was a revolution in the business—Newfoundland's first frozen-fish plant. Furthermore, modern deep-sea fishing trawlers first sailed from Burnt in the 1950s. "Right now we're looking at that government not to ignore us," says Bailey. "If they do, I don't know what we will do but, by God, someone's going to have a tough time with us."

—MICHAEL CLEGGON in Burnt

Brian Peckford on the rocks

Premier Brian Peckford's night-mare vision of Newfoundland losing control of its offshore oil came closer to coming true last week. But, gratefully, when the province's Supreme Court rejected Newfoundland's claim to offshore resource control, the premier promptly swore to continue the fight against the federal government. "I look behind the reason [for the ruling]," mused Peckford. "That the lack of a piece of paper, a fake of history, is going to deprive us for all time of having a chance to be equal is simply unacceptable to me."

The "fake" was the rub of the court's ruling. Chief Justice Arthur Moffat and his two colleagues ruled that Newfoundland, before joining Canada in

1949, had the capability of controlling its offshore jurisdictional rights. However, since it had not actually asserted these rights through a declaration or by legislation—"piece of paper"—it lost them. The justice said they were obliged to follow a 1987 Supreme Court of Canada decision that resulted in British Columbia's offshore resources being awarded to Ottawa.

The government feels the judges erred in their opinion and consequently will appeal to the Supreme Court of Canada. said provincial Energy Minister William Marshall. Leo Barry, the provincial legislator who helped press the Newfoundland case when he was Peckford's energy minister, said an argument that no such constitutional

act was required could be supported by "very interesting lines of authority" in British law and it might well win. But before that appeal is drafted, the high Canadian court this week will begin to hear a separate case—the slightly narrower reference from Ottawa asking who owns the 150,000 sq km of offshore.

—RANDOLPH JONES in St. John's



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Peckford and Marshall, for lack of a paper the jurisdiction was lost

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high levels of Newfoundland participation and employment, said Peckford, now mean "nothing—absolutely nothing."

But the fiery, hard-eyed premier denied suggestions that his row to carry on with his fight for provincial control would bring provincial disaster to his Progressive Conservative administration. "I am not prepared over," he snapped, "to agree to—an agreement between Newfoundland and the federal government which will continue to see us on the bottom rung of Confederation's ladder. If that means political disaster—that means political disaster." It certainly means more political conflict.

SHOWDOWN IN QUEBEC

By Anne Belms

On the front lines of the national news in Quebec City last week, 3,000 angry teachers inventively splashed paint on the largest-scale statue of former premier Maurice Duplessis, a likeness that inspires up images of the Asbestos strike and other dark memories of provincial confrontations in Quebec's turbulent labor history. While the striking teachers had sage to the provincial legislature, inside a document legislation the harshest back-to-work legislation in the province's history—Bill 131—was spirited through back halls to Lt.-Gov. Jean-Pierre Côté's apartment for signature. Its draconian provisions were intended to force 73,000 teachers of the 1.3 million Quebec primary, secondary and junior college students back to work after more than three weeks of an illegal strike. By late Saturday the teachers' leaders had agreed to recommend that members suspend the strike for three

weeks, allowing them to resume negotiations, if the government was willing, and easing them the harsh penalties of Bill 131. But the damage to the province's already worn social fabric remained—and would be difficult to repair.

At the centre of the long-festering and bitter dispute was René Lévesque, the man who has been the focus of Quebec politics since he brought the Parti Québécois to power as an independent platform in 1975—and, ironically, the broadcaster who helped lead the 60-day strike of Radio-Canada employees in 1958-59. For Lévesque, however, last week's events, embracing a weekend of reflections by teachers, stood in stark contrast to the halcyon days when the independence dream burned brightly in the dusk of the Quiet Revolution. Quite simply, Lévesque had done more than provoke a showdown; he faced one of the major challenges of his career as a politician.

Across the province there were scenes that recalled the darkest days of past conflicts. In Montreal picketing teachers embayed the premier in effigy in the South Shore suburb of St. Lawrence, Chénay County High School teacher Bernice Prime called Lévesque "Hitler all over again." Other protesters compared Bill 131 to the 1976 War Measures Act in its severity. In Quebec City, Liberal justice critic Herbert Marc wondered, "Who would have ever thought a man who got his start on the picket line of Radio-Canada would bring in such anti-labor legislation?"

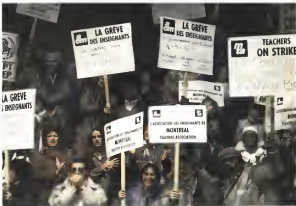
Duplessis Lévesque's dramatic initiative was, at least in part, a response to the deteriorating fortunes of the Parti Québécois administration. The government has a massive \$4-billion deficit and a public service payroll of \$3.1 billion—which had to be cut. But Bill 131 also came at a time when several polls placed Lévesque's popularity at a record low of 35 per cent. The teachers' strike provoked questions about the Parti Québécois' ability to survive. Said longtime Lévesque foe, separatist Pierre Bourgoin: "The PQ is in disarray. This legislation has thrown 20 years of work down the drain. It is a tragedy."

Tragedy or not, it started three weeks ago when the illegally striking teachers leaved the Quebec shift to march outside their schools. Until last week, however, their protests against govern-

ment-forced wage rollbacks, salary freezes and imposed contracts for all public employees appeared to be steadily weakening. Other members of the 300,000-strong *Conseil Front*—including the most potent union in the province—already had abandoned picket lines, giving Lévesque a first-round defeat in his fight to shrink the government deficit by cutting the public service payroll. But last week's passage of Bill 131—legal experts argued that it disregards due process and noted that it overrides key clauses in Quebec's human rights charter—rekindled the ire of the teachers. It also sparked renewed vigor among hospital and other government employees who again began talking of walking off the job.

Across Canada, teachers' unions pledged funds to back their Quebec colleagues. Canadian Union of Postal Workers President Jean Claude Farret planned to ask his 25,000 members to agree to a \$250,000 monthly assessment to help the teachers fight Bill 131 and to offset heavy fines if the law is actually

Charbonneau: Area reflecting light



Teachers picketing at Montreal's Marché St-Jacques, conjuring up images of the Asbestos strike and the Duplessis aphorism

invoked. In Quebec, teachers who had boycotted the strike, and some who had resumed work, left their classes to take to the streets. Where teachers once donned sautinnakes and strikers'—and the French and English—solidarity suddenly resigned. And the sympathy of the general public, long assumed to be with the government, seemed to shift to the teachers' side. Lévesque, who earlier in the week had boldly claimed that he had no fears of calling a general election to test public support of his law, backpedaled as he realized the extent of the opposition to Bill 131.

Solidarity. Meanwhile, teachers' union boss Jean Yvon Charbonneau, head of the largest union, the *Centrale de l'enseignement du Québec* (CEQ), sought support from Quebec's other major union leaders before flying to Washington to try to enlist a show of support from unionized teachers in the United States. The teachers' letter claimed that they had received unprecedented encouragement from the public and from unions across the country and around the world. Said the CEQ's Charbonneau: "Never in Quebec union history have we experienced such a movement of solidarity developed as quickly and with such force." Union spokesmen said that they had received moral back-

ing from labor movements in the United States, France, Belgium and Portugal.

Bill 131 itself is an anti-strike law's dream and an organizer's nightmare. Among its provisions are a retroactive clause that forces a strike to prove its success rather than making the Crown prove guilt. Teachers charged to not reporting to work would have to prove that they had made an honest effort to return to classes and that they had been blacklisted. Unions could be sued and fined as much as \$50,000 a day if "insufficient" numbers of teachers returned to work, regardless of what the leaders' instructions had been. Bill 131 would also allow judges to accept testimony from other court cases as "proof" in proceedings against teachers—without the original witness being heard. Said Claude Teller, president of the Quebec bar association: "With the suspension of due process we are breaking fundamental rules of our democratic state." As well, Bill 131 grants the government the power to strip teachers of their seniority at a rate of three years for every day of illegal strike continues. It also allows the government to withhold two days' pay for every one day off the job and to levy fines of \$60 to \$300 a day. Not only that, but unions could be fined to re-

store a six-month suspension of the Road formula—it permits the automatic deduction of union dues from paycheques—for every day the strike continues.

The government did not immediately resort to using the sweeping powers. But reaction was quick and outraged. *Le Devoir's* editor in chief, Lise Blais, wrote, for one, described the law as "the most odious legislation ever presented" in Quebec. And Robert Dubois, secretary-general of the 4,000-member Provincial Association of Catholic Teachers (PACT), called government members "prayer busters." Even longtime government supporters admitted, "They are using a hammer to kill a fly." Said Blais: "How can a leader lose his mind like this? Bill 131 is not only brutal and stupid, it is almost impossible to enforce unless you are in a police state." As an indication of shifting public opinion, some parents and students joined picket lines outside schools throughout the province. Luc Larive, chairman of the province's largest school board, the Montreal Catholic School Commission, announced that as long as there was no violence on the picket lines, his administration would not note the names of striking teachers for later firings. Junior college profes-

Dubois and Lévesque: spirited through





Source: de Gaulle in exile

ans in Ste-Foy, Drummondville, Granby, Sherbrooke and Lévesque, who was to work until last Thursday, resumed their defiance and picketed on Friday.

Although schools were open, most classrooms remained empty. For the most part, teachers scrupulously avoided harassing any of their colleagues or students who chose to remain in school. However, at the CEGEP du Vieux-Montréal is the city's senior, junior college equivalent entering the building lived shots of "snobs" from dormitories and—after scolding minutes later because classes were empty—they were taunted as "snobs." Education Minister Charle LaPierre, who reportedly justified the suspension of human rights under Bill 131 as a necessity to ensure public order, claimed that 25 per cent of the province's elementary and high schools were operating normally, along with 64 per cent of the junior colleges. Of the estimated 6,900 teachers who returned to work on Thursday, most said they felt intimidated by the government's threats. With 6,900 layoffs planned for next fall and teachers scheduled to lose jobs according to their seniority, many could not risk having their work experience wiped out under Bill 131.

Still, the divide-and-conquer strategy that Lévesque had used successfully to peel away the layers of the Consensus Front was no longer as effective. In-

tally, more than 280,000 Consensus Front civil servants had declared a no-report illegal general strike for Jan. 26. They were protesting the wage reductions that were implemented last June in Bill 76 and the contracts imposed by the government in December's Bill 105. The government's aim was to slash \$221 million from the public sector payroll bill over three years. Ever since the dawn of the Quiet Revolution, Quebec's civil service has grown as a new elite sought to secure a future outside the traditionally Anglo-dominated corporate boardrooms and the Catholic church. But, facing the harsh reality that 52 per cent of its \$15.5-billion budget was committed to public salaries, the *mq* government decided to crack down.

Consensus Front Hospital workers were among the first to hear the brunt of retrenchment. They stayed off the job for only a day this month, but then retreated under the threat of legislation and accepted a government response that reduced wages to part-time employees. Other civil servants worried about their future. Fully 32,000 workers were charged under Bill 105. The union

polls revealed that 80 per cent of the population approved the government's tough stance, although they were unhappy about the unilateral nature of the various laws. But the back-to-work legislation—especially provisions that overrode the rights charter in the name of public order—ignited a storm that the government apparently did not anticipate.

For their part, the teachers' immediate reaction was to attend union meetings and now not to submit. At Montreal's Verdun arena 2,000 roared their shock. One wild-mannered kindergarten teacher with 11 years' experience said: "The law is unacceptable and disgusting." Added an elementary teacher with 14 years' seniority who has always voted for the *mq*: "I will go door to door now and work for the teachers." However, by week's end the union leaders had had second thoughts. At a lengthy meeting they decided on a tactical retreat—while leaving the final decision to their members the following day.

Traditionally, the *mq* has relied on intellectual, public service professionals and labor as its support base. All three

estates were attracted to the party's national stance and its social-democratic leanings. As the official Opposition, the *mq* repeatedly championed Consensus Front positions in negotiations with the government. In an instance in 1986 Lévesque's endorsement of Premier Robert Bourassa for not living up to his "moral obligation" to accept mediation in dealing with public sector workers, notably teachers. In fact, the Bourassa government passed emergency legislation and led heavy fines when teachers and hospital workers staged illegal strikes. But in August, 1986, in an attempt to shore up Liberal support going into the election, Bourassa buckled. He awarded teachers wage increases of as much as 45 per cent. They then turned around and voted on a name for the Parti Québécois. Lévesque, in turn, found that he also had to make generous concessions to the Consensus Front in order not to jeopardize his "oil" vote in the 1986 referendum, the premier gave in to hospital union demands and raised the minimum wage from \$596 to \$653 a week over 3½ years. Later, 74,900 teachers

struck for two weeks, claiming—as they do now, that the quality of education was their prime concern. The unions did, however, minimize disruption in an effort to help the *mq* in the sovereignty association referendum. In return, they expected to be amply rewarded for their loyalty. The teachers returned generally to work when they were promised average increases of 28.3 per cent, including cost-of-living bonuses, to the end of 1989. McGill University education Prof. Donald Burgess bluntly described wage settlements during these years as "bribery." Now the government has decided it can no longer afford the deal.

One of Lévesque's greatest fears is that a financially battered Quebec would only invite increased federal intervention in provincial life. And the province is reeling if not financially shaky. The unemployment rate is 14.9 per cent, 2.5 points above the national average. That's one of the highest in the country (24 per cent more than Ontario) and 36 per cent higher than Alberta's. Moreover, since the level of disposable income has been hit especially hard by the economic downturn. Even before the recession, jobs had been disappearing at an alarming rate.

For Lévesque, the book had to stop with the public sector pay raise.

The government is not without its allies. Declared economist Fortin. "Short of declaring bankruptcy, the government has to adjust the wage bill of the public sector. If not, Quebec will simply go broke and have to knock down in front of the federal government." Lévesque has been prepared to lower the house on the public service over since Fortin prepared an analysis of the province's public finances a year ago. In his report, Fortin underscored that unless the province immediately froze the wages and benefits of government and public sector workers, Quebec's spiralling deficit could jump from \$3.5 billion to \$8.5 billion by 1995. But union leaders simply did not believe that the government would leave its adorer. Replanned Fortin.

"Given the history of the last 10 years, government-



Lévesque juggling the suspension

Consensus Front negotiations, it's not surprising that unions didn't take Lévesque seriously."

Business leaders have. They continue to roll about taxes that, they charge, drive the most talented people from Quebec. The Council de Patrons du Québec, an important employers' group, last week reiterated its plea for lower taxes and the creation of a better business climate. The council said that top Quebec executives have to make as much as 26 per cent more in salaries to achieve the same standard of living as their colleagues in Ontario and Alberta. In troubled Quebec City, retail stores must be unlikely. Barter this year, for example, when gas prices dropped in every province so *STRICT* rates dipped and prices were swept the Quebec retailing business, Quebec alone stood firm. Finance Minister Jacques Parizeau delayed reducing the government's take at the pumps, netting millions of dollars in extra revenues. Gas prices in Montreal now average 47.1 cents per litre, as opposed to 45 cents in Toronto and 38.9 cents in Vancouver.

In addition to taxation there have been representations. For the past year *mq* policymakers have explored the possibility of a North American common market and they have attempted to capture a larger share of the northeastern U.S. market. Although Washington readily maintains a strong office, neither this month the U.S. state depart-

Striking the CEGEP du Vieux-Montréal, some students burned "snobs" and "snobs" from classrooms



The party without a chief

For Quebec's Opposition Liberals, the province's teachers' strike offered little opportunity for launching a political offensive. They are leaderless, suffer from a raging lack of party discipline and are short of cash. Despite the Liberal's aggressive showing in public opinion polls—can be confirmed by *Le Presse* in December gave the party 51 per cent support, compared to 42 for the PQ—the Liberals are in no position to try to force—or fight—an election. Not only is the party's vote share nearly depleted but the Liberals also have lost their traditional leader since last August, when newspaper publisher-turned-politician

Gérard Ryan finally resigned after months of rumors infighting over his principled—but exceedingly weird—stand against paring the Constitution. Even Liberals like justice critic Herbert Marc are not surprised that the leadership Liberals could alienate the votes of Gérard Piquet. Says Quebec political analyst Dominique Chiff: "If there was an election today, the PQ would still win handsily."

Since Ryan resigned six months ago, the party has been held together only by the consensus-taking reform leader, Gérard-D. Lévesque, a veteran parliamentarian who clearly has the confidence of his backbenchers. "Gérard-D. knows how to delegate authority," says one caucus member. One particular asset is Lévesque's willingness to let his colleagues share in the assembly.

The Liberals actually justify the long delay in choosing a successor by arguing that the new chief would find it warring to spend two or three years in Opposition before the next election. When it became evident last fall that a leadership convention would not be called promptly, conventional wisdom suggested that the hidden reason for the delay was to break the stride of the front-runner for the job, former premier Robert Bourassa.

Bourassa, who was damped from power in 1978 after a series of financial scandals surrounding the Montreal Olympics and because of his troubles

with labor, has carefully nurtured his image as a leader, patiently waiting, de Gaulle-style, in self-imposed political exile. Last week, however, during the frenzy of the strike, Bourassa was in Paris speaking at Quebec's economic problems. He seemed curiously out of touch with events at home. When Ryan was asked how about Liberal prospects in an election, he replied "I don't know if they want an election now. I don't know if they would prefer not to have an election on such an issue."

An independent poll taken just shortly after Ryan's resignation indicated that Bourassa was well ahead of his potential rivals for the job—Gérard



Gérard-D. Lévesque: cash-poor and leaderless

and D. Lévesque, who has rebuffed offers from the party before, and Raymond Gauthier, Bourassa's finance minister, who is now chief executive of the Montreal City & District Savings Bank. Unlike Bourassa, Gauthier has almost no support within the Quebec Liberals and maintains close ties with the federal party. But that could prove a liability. As Claude Ryan discovered, a Liberal chief in Quebec can be stretched both for being a tool of federalists in Ottawa and for being a clear separatist.

—LARRY BLACK in Montreal, with Marc McDonald in Paris and Susan Arley in Toronto

COVER

ment finally rejected Quebec's overtures. In effect, the message was: Washington deals with Ottawa, not Quebec City.

Lévesque's bitterness about the rebuff was heightened by memories of the November, 1980, constitutional conference in the federal capital. He had vowed to protect Quebec's acquired rights but, instead, he allowed himself to be outmaneuvered by Oliver, the master of a constitutional veto. When the premier looked for sympathy at home, claiming he had been "stabbed in the back," he faced general anger about his performance at the Ottawa negotiating table. He reluctantly giving up Quebec's traditional veto on certain constitutional changes, Lévesque subsequently lost more to Ottawa than any previous premier had conceded acceptable.

When it comes to finance, the problem with self-consciousness is that your thoughts can run away with themselves while you stay put. If you're self-conscious, you think that everyone is thinking about you, are unflattering thoughts. Not only that—you think that the thoughts they're thinking about you are unflattering thoughts. In all likelihood, however, no one is really thinking about you at all. In fact, they're

laughing. The stance alienated many ardent independents, who withdrew their support. Now, many dissidents will likely sit out the next election. However, Dominique Chiff, author of *Quebec: A New Province in Crisis*, suggests that the PQ may already be offsetting those losses in less traditional pockets. Says Chiff: "My support is no longer just with labor and Montreal. It has moved to the small towns and the less politically conscious. It is appealing to a much wider political base, not unlike the Union Nationale under Duplessis." Although Lévesque has problems within his own party, he has benefited from Liberal disarray. After losing the 1981 election, the Liberals forced Claude Ryan from the leadership last August. So far, the party has not even set a date for a leadership convention (page 84). Like the federal Progressive Conservatives, the Quebec Liberals seem traditionally locked in incessant infighting rather than getting on with the business of convincing voters that they can form a government. The party has rarely even presented the image of an effective Opposition, despite all of the government's recent problems.

Indeed, it has been a long time since the PQ engaged virtually unopposed

FITNESS NOW AND HOW

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When it comes to fitness, the problem with self-consciousness is that your thoughts can run away with themselves while you stay put.

If you're self-conscious, you think that everyone is thinking about you.

Not only that—you think that the thoughts they're thinking about you are unflattering thoughts.

In all likelihood, however, no one is really thinking about you at all. In fact, they're

probably thinking about what you're thinking about them.

So you see, if you are thinking about what others are thinking about you but no one is really thinking about you (because they're too busy thinking about what you're thinking about them), then the only one who is actually thinking about you is... you.

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Can a little change in mind turn self-consciousness into self-confidence? AND HOW!



The Canadian movement for personal fitness



backing from francophones. In 1977 the PQ's widest piece of legislation passed into law as Bill 105, the charter of the French language. The legislation annoyed francophone Quebecers that they could live and work in their own language — its popularity was such that Pierre Trudeau's federal Liberals only belatedly launched a court challenge. But the passage of the charter nearly six years ago effectively defused the major resentment that many French-speaking Quebecers harbored about the province.

Since then, too, many francophones have been embarrassed by the rules that are enforced by the so-called language police and which regularly puts front-page headlines in *Le Devoir*. And the oldest nationalist faction within the PQ, led by Education Minister Larue, has prevented Lévesque from collecting some of the most strident regulations of the charter, particularly the ban on bilingual signs. The former starer as legislator, last month two francophones in the House were hauled off to court for defiantly advertising their motel in English and French to attract the tourists in another case, a bilingual surgeon, John Kerslake, was once arrested for hours by a legal tribunal about whether one of his patients had been allowed "to die in French."

Unemployment for PQ critics, the spectacle of a government without a set goal other than independence was drawn home this year over a new PQ policy decision. Despite record unemployment levels, the union assembly learned that a major piece of legislation would be aimed at limiting the number of non-French movies shown in Quebec theatres.

Still, with Lévesque's leadership of the PQ confirmed last year and the Liberals without a clear majority, Lévesque seemed poised to move beyond strictly cultural legislation to economic problems. He accepted a PQ congress resolution that called for the next election to be fought on sovereignty. In the meantime, however, Lévesque announced that the economy would have to be

brought into line first. When Standard and Poor's Corp., a New York-based bond-rating service, downgraded Quebec to an AA- rating last July, Lévesque was forced into spending cuts. The unions were government employees — the backbone of the Parti Québécois. Larue's Parti says that until that point, "governments were afraid the unions would make trouble. They were afraid of chaos."

Throughout last year Lévesque hoped to stave off economic calamity by persuading unions that sacrifice was necessary for the greater good of Quebec autonomy — and that it was needed to bring the unions to heel. Last April the

City warned that there would be no more money and that agreement on all contemporary issues would have to be completed by the end of the year or contracts would be imposed. In December, with no major agreement in sight for 35,000 unionized and nonunionized employees, the government passed Bill 105. It consisted of thousands pages of contract clauses that removed many previously acquired rights—including that the PQ had fought to include while the party was in Opposition and that they granted in government. Bill 105 also outlawed strikes for the duration of the agreement—in the end of 1985. Last month the Congress Front attack gradually feathered as hospital workers, nurses and government bureaucrats reluctantly bowed to Bills 70 and 105. The teachers, who were hardest hit by the wage reductions and new contract provisions, were the only holdouts. By the time Bill 105 became law last week, the teachers had all but given up their salary demands. Their claims of striking to protect the quality of education in the province were given new credence. But when spring their fury was the direct threat to their union movement.

Again Lévesque cannot be blamed for all of the province's problems. But the fact remains that at employment is unacceptably high. For parents, taxes provide rage, and for children, the school year has been disrupted. The focus of conflict in Quebec is Bill 101—and what will happen next. For now, there seem to be few outlets for the anger that is sweeping the province. The Liberals

have failed to rally the discontented. For many PQ backers, outraged about erosion at the base, there is a further dilemma that their dreams have been shattered. As a party, the PQ was somehow supposed to be different from all the rest. Citizens, meanwhile, are stunned by the erosion of the educational system. Unable to support the government, or to identify with the opposition, Quebecers are left essentially bewildered by a climate of confrontation and despair that profoundly threatens the welfare of the province.

Bill 105 and the Montreal Daily Star's Front Quebec and Simon & Schuster in Toronto.



Common front picketing in January. Lévesque's support noted.

premier called an economic summit to which he invited Congress Front leaders. He asked the union heads to forego scheduled wage increases in June and December. The union representatives refused. An angry Lévesque then brought down Bill 70 in June. Under its terms, the wage increases scheduled to the end of 1985 in Congress Front contracts were accepted. But, as of Jan. 1, salaries were rolled back to levels about \$53 million for the treasury.

With Bill 70 on the books, the government announced that it was ready to negotiate the contracts for the three years beginning last Jan. 1. But Quebec



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Facts About FOSTER PARENTS PLAN

What is Foster Parents Plan? PLAN is a non-profit, non-sectarian, non-political social service agency. Our goal is to help children, their families and communities overseas to help themselves. Through social welfare, health, education and community development programs, PLAN avoids long-term dependency—and hopes, in time, to enable the society to assume a greater responsibility for its own people.

What does involvement in Foster Parents Plan mean? By helping a child through PLAN, you experience a warm feeling of fulfillment that rarely can be equalled. Your help will be extended to each member of the child's family and beyond—to the community in which he lives. In return, you will receive a case history and picture of your Foster Child and Family, regular correspondence from them, and from the PLAN Director in their country, and an annual progress report and updated pictures.

How does Foster Parents Plan promote self-reliance? When a needy family becomes a Foster Family, they immediately begin to work toward a brighter future. Together with our social workers, they set a number of goals which will help make them self-sufficient. This is called their "Family Development Plan", and each year they will set goals and work toward them—goals mutually agreed upon, as important. The aim is that within a specified period of time, the family will have reached a sufficient level of self-reliance to no longer need our support. We watch where your money goes—and we know it helps.

How are donations used? 89.5% of Foster Parents Plan's total income goes directly toward our overseas programs and provides material and services to poor Foster Families including counselling, good food, medical and dental care, education and much, much more.

How does Foster Parents Plan help the community? We endeavour to get community leaders to determine what their needs are before we establish a plan of action with them. The community must participate in this plan, and provide the labour while PLAN supplies the materials to meet their goals. Consumer co-operative stores are set up, youth and study centres established, drama, web and lanterns are built, poultry and pig-raising projects begun—and there are but a few examples.



Sen. George Deukmejian with assembly Republican Leader Robert M. La Follette. State employees may have to take more cuts.

WORLD

A bankrupt dream machine

The scene was unfortunately California. At a packed press conference in Sacramento called for an announcement about the state's grim financial plight, Treasurer Jeanne Garza and Controller Ken Cuccinelli suddenly burst into a duel. "Turn out the lights, the party's over," they sang, parodying Joe Merello's wacky ode to whatever team has the misfortune to lose on *Monday Night Football*. Then, amid embarrassed chuckles from the listening reporters, they announced that California was bankrupt. Added Cuccinelli: "For several months we have been saying there will come a time to go on 101s. That time is here."

A two-minute duet in a budgetary battle between Republican Gov. George Deukmejian and the Democratic-controlled state Senate robbed the crisis of some of its drama. But the state was forced this week to raise \$30 million worth of 30-year bonds. The compromise at least ended Deukmejian's week-long search for leading institutions that arranged for a fast \$500 million loan. And until the new money arrives the state will continue to raise 10% instead of 6% to its creditors.

The seeds of the current financial crisis were sown in the late 1970s, when Californians, swept up in a populist middle-class tax revolt, voted in a referen-

dum known as Proposition 13 for a radical property tax cut. The resulting legislation reduced taxes by as much as two-thirds, forcing major cutbacks in government services and employment. Since then, the state has been short of money, and the current recession has exacerbated the problem.

Probably, public reaction to the 101s was as angry one. About 1,000 people a day telephoned the California Franchise Tax Board even before the 101s were issued to ask what they were supposed to do with their expected income tax refunds if they were in the form of promissory notes. The board spokesman Will Bush replied that the information would be included with the refunds. But his reassurances did little to ease the public concern. Warned state Assembly Speaker Willie Brown, a Democrat from San Francisco: "The most dangerous act a legislature can commit is to walk the streets after having given people bad paper."

Meanwhile, Sacramento legislators worked around the clock to resolve the budgetary logjam. But it was not until 35 hours after Garza's ringing announcement that they reached a bipartisan agreement. The solution calls for the current fiscal year's deficit to be reduced by cutting roughly \$677.5 million from overall spending. At the same

time, tax collections will be speeded up, and funds will be transferred internally to areas where they are most needed. The rest of the deficit will be pulled over into the next fiscal year.

For their part, the Republicans released their opposition to a tax increase and agreed that a one-cent increase in sales tax, to seven cents on the dollar, would be triggered if revenues fall below projections for the first three months of the next fiscal year.

Still, the compromise was reached too late to stop the 101s from being issued. According to Controller Cuccinelli, about 12,000 businesses with state contracts will receive them on Feb. 28, as will 70,000 taxpayers. Not only that, but if the state's major creditors refuse to finance California's economic recovery program, 85,000 state employees will be fired to take their \$80 million paychecks in pain from March 1.

Meanwhile, California is not the only state with problems. Michigan and Massachusetts have both had several "payless paydays." And, while California is only the second state to pay its bills with 100%—the first was New York, two years ago—others may be forced to follow if the recession continues.

—DAVID KLUGER in San Francisco

FRANCE

Seeking the future in the stars

Film director Arthur Penn was moved to light up his first cigar in 20 years. Norman Mailer declared that he had been inspired to go home and take an economics course. John Kenneth Galbraith said that he had picked up some new ideas, and Sophia Loren acknowledged that she had picked up some new friends. "That's the real point," asserted essayist Susan Sontag. "The fiscal speeches were bland, but a lot of people are meeting each other here who will go on to work together." The notion of an upscale celebrity introduction service was not what French Culture Minister Jack Lang had in mind when he threw open the Sorbonne to 850 artists and intellectuals from five continents last week to discuss ways in which culture can be used to solve the current world eco-

nomist's Socialist reign.

The meeting was not intended merely to raise the tone of nationweaving above the gloom about trade deficits, auto strikes, unemployment, and Mitterrand's own plummeting personal popularity rating. It was also designed to further Mitterrand's dream of marrying the Socialist's tenure in France with a cultural renaissance. And last week, before an audience that included François Ford Coppola, Graham Greene, Peter Ustinov and Canada's Anne Hébert, the French president pitched the metaphysical end of his party line. Calling for a new "era of invention," he declared his conviction that "the industries of culture are the industries of the future. To invest in culture is to invest in the economy."

Mitterrand's message was welcomed



Actress Sophia Loren (left), French Culture Minister Lang: an intercontinental cross section of group mother and guru.

some ways. No solutions emerged from the multinational mass of wit and worthy rhetoric that characterized the two-day "high cultural mass"—as the cheeky Paris daily *L'Express* termed it—but the French government could back in something of a triumph.

Recent the bare-breasted goddesses of arts and letters meeting over the grand amphitheater's great steps, the government managed to attract one of the most star-studded cross sections of international grey matter and gifts ever to assemble in one place. The meeting, too, was politically advantageous—the event took place just three weeks before French municipal elections which threaten to become a referendum on the first 2½ months of President François

by the artists and thinkers who are almost all suffering from government cutbacks to the arts. Indeed, as U.S. writer William Stryker pointed out, the seminar could only have taken place in France. There, Lang's cultural ministry's budget has just been doubled for a democratization program that includes the introduction of Comédie Française performances in the Meuse and construction of a curious museum and a popular opera house at the Bastille.

France's emphasis on the arts is the personal product of a president who is the most literary of world leaders—the author of a dozen books and a man who delighted in inviting two of his heroes, writers Gabriel García Márquez and Stryker, to his inauguration. But Mitter-

rand is not alone stringing European leaders. His dedication to a cultural rebirth is shared by the Mediterranean's other leading Socialist regimes in Spain and Greece.

Not surprisingly, the conference won praise from its participants. Still, there were those among the tribunes to the Socialist cause. U.S. author Mary McCarty chastised Mitterrand and Lang for failing to legitimize the Polish pre-Soldatary private radio station in Paris. Nobel peace prize laureate Sissie Macfarlane praised the French government for acknowledging the importance of cultural and moral values, then applauded its far-reaching use of the world's third-largest arms supplier. Still, no one wanted to dampen the spirit. René Alvin (*Future Shock*) Toffler admitted: "The leaving less cynical than I am. What saved it for me was what Mitterrand touched on—that there's a new current between culture and industry."

However, it remains to be seen what effect the gathering's lofty tone had on

the domestic political arena. The conference received scant press coverage, and many of France's leading thinkers did not attend. Nor was all the talk of nurturing the working under new technology likely to carry much flavor with France's increasingly discontented middle class, whose members believe that they have been feeling the bill for most of the Socialist's reforms. Their revenge at the municipal ballot boxes next month is expected to cut the governing leftist alliance as many as 50 of the 154 municipalities it currently governs—a tally which, in the final analysis, will have more to do with economic crises than with culture.

—MARC McDONALD
in Paris



Amr Haneh (right) behind the scenes, struggles for a role

THE MIDDLE EAST

Extending diplomacy's reach

But for their swarthy features, the 150 delegates at Algeria's Club des Paix Conference Centre much have been members of a Western parliament. Gone were the fatigues, guns and red-and-white checkered keffiyehs (headscarves), trappings that have been the traditional symbols of the Palestine Liberation Organisation. When the 700 leaders met last week for the most crucial meeting in the organisation's history, the men sported three-piece suits and raincoats, the women high heels and designer scarves. "They have been a disappointed generation," said an observer. The change in dress was appropriate. The PLO's ability to achieve its aims using military means was destroyed when it was crushed by the Israeli army in Lebanon last summer. Instead, the leadership of the organisation's governing Palestinian National Council last week began a 10-day debate that could lead to a political rather than a military orientation for the PLO.

The rhetoric at the meeting was heavily tinged with familiar phrases about "armed struggle" and "the revolution." But the main issue was how to align closer to the dream of a Palestinian state. On two issues, all eight factions of the PLO and the large international delegation did agree that the PLO is

the sole representative of the Palestinian people, and that the Palestinian must achieve full statehood. As a result, the way seemed to be clear for Jordan's King Hussein to receive the mandate he needs to begin negotiations on behalf of the PLO with the United States and Israel. Most delegates agreed that the Jordanian monarch may eventually join the peace process. They also emphasised the need for an association between a Palestinian homeland and Jordan.

As the meeting began, PLO moderates were euphoric over the results of a crucial preliminary session of the executive committee which was charged with placing recommendations before the PLO Council spokesman Ahmad Abdel Salam and that PLO chairman Yasser Arafat—who is now considered to be one of the moderates—had won approval for his position on most major issues. For one thing, the PLO decided to label US President Ronald Reagan's plan for a Palestinian "sovereign" or "unacceptable" instead of rejecting it outright. The committee also recommended an expansion of the Arab League's charter to include a new peace plan, which implies recognition of Israel's right to exist. Not only that, but the PLO recommended acceptance of the principle of

confederative with Jordan after full Palestinian statehood had been achieved. But there was no agreement on whether to open a dialogue with those Israelis who favour peace with the PLO.

PLO spokesman Michael Lavi, for one, found the agreement satisfactory. It was, he said, a "good basis for wisdom and moderation." Indeed, the second represented a shift from just last month when leaders of five of the eight factions meeting in Libya issued a statement rejecting the Reagan plan. PLO hard-liners had predicted that if Arafat persisted with a moderate platform, it would force a split within the PLO. And the PLO leader did, in fact, have to stage a last-minute power play to defuse opposition. He threatened to resign if the PLO could not overcome the divisions within its ranks.

Traditionally, the PLO has accepted the recommendations put before it with only minor alterations, and the moderates were confident that they would hold firm until this week's final vote. However, the radicals did not give up. Three of the smaller pro-Syrian militant factions threatened a walkout. And the hard-line leader of the Popular Front for the Liberation of Palestine, George Habbash, delivered a fiery speech in the Reagan plan. He also warned Arab leaders of the consequences of failing to back the PLO. "It was enough militarily," he said, "we can set severely and swiftly against the leaders of Jordan and neighbouring states, changing the balance of power."

Still, after 30 years of conflict, 10 years of PLO terrorism and struggle, and last summer's setback, the moderation seemed to have dawned that Palestine must be "liberated"—politically as well as militarily—by the PLO alone. The problem for the PLO was where to turn for help. Arab states and the Eastern Bloc have little credibility because of their weak opposition to the Israeli invasion of Lebanon. The PLO is also wary of the West and particularly skeptical of Washington's willingness to pressure Israel into a more moderate position on a homeland. But it must act quickly before Israel completes its settlement program in the West Bank and Gaza Strip.

For the moderates, the defeat in Lebanon proved the need to finally resolve the Arab-Israeli crisis, especially while international opinion is focused on the Palestinians. For the militants, the realisation feels their argument that now is not the time to compromise. The PLO has a chance whether it wins or loses, but a gain. Among the pastured towns in Algeria, a majority favored moderation. But there were few who doubted that if the policy fails, the PLO will once more drift off its battle fatigues. —BRIAN WRIGHT in Algeria

Members close to a mandate



AUSTRALIA

An epic ordeal by fire



High winds, at U summertime heat and fire combined tragically in southern Australia last week, leaving at least 70 people dead and 1,000 more injured. A series of giant bushfires scorched 3,000 square miles of southern Australia—an area larger than Prince Edward Island—as one of the country's worst ever disasters caused more than \$450 million in damage, surpassing even a catastrophic cyclone that took 49 lives in the northern city of Darwin in 1974. Eyewitnesses said flames 30 m high roared at more than a kilometre a minute, sending off fireballs with a roar like a low-flying jumbo jet. The fires destroyed everything in their paths: houses, farms, thousands of acres of productive land—and families trying to flee the conflagration in cars. Said Prime Minister Malcolm Fraser after touring the devastated areas: "A Pioneer [pilot] division could not have saved as much damage. There is nothing left."

The bushfires, many of which were thought by police to have been deliberately set, were a staggering blow to a region already crippled by a three-year drought and frequent dust storms which have parched 60 per cent of Australia's arable land and cost the nation's pivotal agricultural sector \$27 billion in lost income in 1982. Purnea became the hottest last year in rural protection declined by \$1.8 billion in gross values and the wheat crop fell by 45 per cent to near famine levels. "We have had a season, we've had a drought, we've got bushfires now," lamented the state of Victoria's police and



Cockatoo schoolteacher in flames (top). Here, more people, townspeople struck

emergency services minister, Rae Matthews: "It's like Moses in Egypt."

Unlike Canada, where forest fires routinely lay waste huge tracts of largely remote unpopulated land, the Australian fires blanketed a 900 km stretch between Adelaide and Melbourne, Australia's second- and third-largest cities. It was as if great swathes of Alberta rangeland had burned to the edge of Calgary

Throughout the inferno, 16,000 firefighters, troops and volunteers fought a losing battle in the inferno-ravaged Denning Range, east of Melbourne, the roaring inferno around the townships of Cockatoo and Belvedere Heights, taking 26 lives. Among them were 12 volunteer firefighters who died while trying to save a house. Several of their unscathed corpses were found still sitting upright in the fire trucks the next day. Kinship, the neighbouring bodies of an engaged couple, due to be married in 10 days, lay charred in a storm-driven jet, among the tragedies was a miraculous escape 100 children survived by covering themselves with wet towels and huddling in their school's kindergarten as parents sat on the roof spraying it with hoses while the flames raged alongside.

Meanwhile, in the wooded highlands behind South Australia's coastal capital of Adelaide, the fire scythed a path to within 10 km of the urban area, engulfing a row of houses. Like other victims, 34-year-old Murray Nichol hurried back to the hills to try to save his children, who were alone at home while his wife, Frances, was out. Arriving just in time to see his house burn, he gave a chilling description of the scene: "The flames were coming in from all sides, it was just going in front of my eyes. All my belongings," he shouted. As he spoke, Nichol and a dozen others were confronted by a curtain of flames. "We are escaping down behind a farm house. They are spraying us with water. The sky is red, there is no smoke, it's pouring rain." Then, at the last minute, flames reached them and Nichol ended his broadcast with an upbeat message to his wife "Frances," he said, "I'm okay, the kids are okay. We will just have to rebuild."

The Wicked family was not alone in its plight. More than 3,000 homes were destroyed before the fires were brought under control. As the cleanup began, there was an urgent call for relief funds. Relief organisations had raised \$5 million by week's end, and Fraser, who with Labor Opposition Leader Bob Hawke agreed to a temporary suspension of the national election campaign, offered \$10 million in aid. Still, few people had any idea how the staggering cost of reconstruction would be covered. Meanwhile, in Adelaide's 10-year-old unemployed labourer, Murray Davey, was being held in protective custody after being charged with deliberately setting a fire northeast of the city. Officials were investigating other possible causes of fires. At the same time, there was a still more immediate concern: with more hot, dry weather predicted, no one could be sure that the contained fires would not flare out of control once again. —PHILIP GREENARD in Sydney

THE GROWTH-EDGE



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Mines and Minerals

Cominco Ltd.
Fording Coal Limited
Steep Rock
Iron Mines Limited

Forest Products

CP Inc.
Great Lakes Forest
Products Limited
Pacific Forest
Products Limited
Conservant Properties,
Limited

Iron and Steel

The Algoma Steel
Corporation, Limited
AMCA International
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PEOPLE



Dow and his wife, Lauren, fans still recognize him as Beaver's brother, Mully

Twenty years have passed since the last episode of the TV sitcom *Leave It to Beaver* was filmed. But the stars of the series can still attract a crowd. And last week, while visiting a friend in Toronto, **Tony Dow**, 35, who played older brother **Wally Cleaver** to **Jerry Mathers' Beaver**, found out just how long some people's memories can be. Dow had been in his chair in a quiet downtown pub for less than 10 minutes when he was paged to the telephone. A sharp-eyed patron, apparently had recognized him and had called a disbelieving friend. "I think the guy just wanted to be sure that his buddy wasn't giving him the business," said Dow, good-naturedly. Dow recently finished taping a bit of business news (a two-hour CBS special, *Still the Beaver*, which reunites the whole cast of the popular sitcom with the exception of **Hugh Beaumont** (daddy, **Ward Cleaver**), who died at age 72 last year. Scheduled to be aired this spring, the show of course includes everybody's favorite rat, **Eddie Haskell** (**Ken Cozart**), as a shifty building contractor. Says Dow, "Eddie hasn't changed much. He's still so good."



Mully's great offer

been in Vancouver for four months starring in both *The Beaver* (with **Phillips**) and *Men Against*, which moved to Ottawa last week. Henry, 64, has been onstage in Toronto performing rave reviews and playing to sellout houses in *The Chronicle* and co-directing *Romeo and Juliet*. After her inglorious dismissal from Stratford's short-lived artistic directorate two years ago, Henry is looking forward to working in Phillips' company. "What Helen has in mind is really the actor's dream," she says of his plan to open off stage productions into TV and film versions. Mathers corners "It isn't so much that I've severed connections with Stratford as Phillips was in there first with an offer I couldn't refuse." One of the roles he has lined up is **Ally in America** and **Old Lace** (**John Hensley** will play **Martha** "Helen probably went to John and said, 'I think I'll sell

do it if you will,'" Mathers laughs.

Even before **Brian Peckford** was chosen to head Newfoundland's ruling Conservative party in 1979, the scrappy young cabinet minister saw his wife, **Marina**, at their South Beach, N.Y., home and ordered, "Pack your bags—we're moving into Mount St. Helens." The awe-struck model-style premier's residence in R.C. John's to which Peckford aspired had already cost the premier's taxpayers more than \$200,000 to buy and renovate. The Peckfords then ordered a new batch of curly bayonet-bourgeois touches (such as

shag carpeting throughout) which pruned the local press to bread publicity **Marina** as the first woman ever to spend \$100,000 on furniture at **Woolco**. Last week Peckford finally bowed to incessant, astoundingly erroneous (from Liberal Opposition Leader **Steve Hony** about the cost of Mount St. Helens) and announced that he would move in an apartment and leave the mansion for government office use. Where is the premier's new home? "It's none of your business," Peckford told a reporter.

Kathleen (*Body Heat*) **Turner** returned to her California home last week with a warm glow even though *Tiger*, her latest play, had closed at Washington's Kennedy Center and 60 min. of snow had made life especially difficult. The good feeling was supplied by **Wladimir Rostropovich**, the famed conductor of the city's National Symphony Orchestra. Rostropovich, 65, read in an interview that **Turner**, 36, if given an opportunity, would choose him as one of her favorite leading men. He reciprocated with 100 long-stemmed roses. **Turner** was overwhelmed, said a Kennedy Center spokesman, who described the scene backstage as "a forest of roses"—so many, in fact, that some of them even appeared in a bathroom. **Turner** sent the conductor a note of thanks and a bottle of **Stekel** wine vodka. Then they dined at one of the capital's most exclusive French restaurants, **Le Grand Restaurant** in a group of his associates. "When a beautiful woman pays you such a compliment, you must shower her with roses and be glad to be a flake." —**KENNEDY BY BARBARA BRIGHT**

Kathleen Turner: a new *Playmate*



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Harvesting wheat in Morocco, Senator Argue price-slashing could bankrupt Canadian farmers

BUSINESS

The looming battle over stockpiles

By Marel McDonald

It was a meeting that marked a dramatic new low in transatlantic goodwill. Following any pretence of diplomatic nicety, the European Community's negotiators stormed out muttering "We're fastening our seat belts. We're not going to sit by and let others pluck our market like dried fruit." Then the U.S. delegate emerged grinning and refused all comment. There was no need to elaborate on the threats that his boss, U.S. Trade Representative William Brock, had already made. Indeed, the reason for this month's talks in Brussels between the United States and the EC was understandable—and a cause of great concern to the West's other major grain exporters, Canada, Australia and Argentina. In retaliation for the EC's agricultural export subsidies, Washington had struck back with a sweeping \$750-million (U.S.) export subsidy of its own. At the same time, the Americans met only with Europe's largest farm market, slashing a \$417-million contract with Egypt, but they were also gearing up to prick several more of the Continent's traditional customers. "We just wanted to get their attention," said Brock in a measured understatement.

But it was clear that, in the wake of the steel war, the tariff-dumping was and last year's power play over Western exports for the Soviet gas pipeline, a new battle over wheat sales is now looming. "If this isn't a trade war," lamented Senator Hiram Argue, the minister responsible for the Canadian Wheat Board, who was also in Brussels, "I would have to see one devised."

For Canadians the wheat war has serious implications. Transatlantic price-slashing is driving prices steadily downward, forcing the Canadian Wheat Board to match the competition in an effort to preserve its 20-per-cent share of the market, leaving producers with sharply reduced incomes. "Canada is caught in the middle," said Argue. "These two giant economies, the United States and Europe, are easy on their own, but it's our farmers who will be hurt. It will be very difficult for those who already have high debts. They really be put out of business."

Australia faces a similar plight. Leslie Price, chairman of the Australian Wheat Board, warned that the family farm could be driven into extinction. "Unless we put an end to this, our growers are heading for very serious trouble," he declared. "There is a need

for us to do something before it is too late."

The controversy began last October, when President Ronald Reagan introduced a \$1.55 billion guaranteed credit line for importers of U.S. wheat. Already the Yemen Arab Republic, a longtime buyer of Australian wheat, has succumbed and shifted a 345,000-tonne contract to the United States. The same blandishments are being offered to Portugal, Yugoslavia, Morocco and Pakistan—all traditional European markets—and Brazil, a Canadian foe. "The pressure is on," said Argue. "Even markets that we have developed and been a major presence in are suddenly becoming highly competitive. Subsidies are distorting the whole picture." Canada has not been averse to fighting back. Last month it struck a one-million-tonne deal with East Germany, leaving the EC and the United States, the traditional German suppliers, stranded.

The subsidies are only symptoms of the current reality of world grain markets, where wheat prices have plummeted by at least \$75 a tonne in the past two years to \$204 a tonne, which means just \$4.43 a bushel to a typical Saskatchewan farmer. Blevins on both continents are overloaded from two re-



of the market." Admitted Brock. "This administration is going to be very aggressive."

That statement promptly took tangible form. After listening to U.S. warnings that the wheat war could spill over into other commodities, the EC this month learned that the one-cul-de-sac U.S. floor sale to Egypt not only sold out world prices by 25¢ per tonne but might be linked to an additional agreement to deliver 50,000 tonnes of U.S. butter. If a full-scale battle now develops for dairy markets, the carefully engineered export prices charged by the Europeans and New Zealand could collapse. Indeed, Brock has threatened to dump \$1 billion (U.S.) worth of surplus butter, skim milk and cheese on

the world market, weakening havoc on traditional exporters. But the dispute over wheat poses the most intractable problem. The EC has lodged a formal complaint against the United States with the General Agreement on Tariffs and Trade in Geneva. At the same time, the Europeans are refusing to abandon the subsidies that they regard as one of the cornerstones of the community's Common Agricultural Policy. Such a spokesman for France, the country that supplies 30 per cent of EC grain: "We will not allow ourselves to be pressured."

In a private letter European Commission President Giscard d'Estaing told Wheat that the community was taking off the current talks if the United States continues to grant traditional European markets. He also suggested that the EC may even cut off imports of U.S. grain-substitute feeds. The Europeans believe that the balance can be struck through a market-sharing arrangement—a cartel-like sharing up of the agricultural pie. That step, however, is unacceptable to the free-trade-loving Reagan administration. For their part, Canada and Australia are proposing a concerted two-year export control program aimed at stabilizing world prices. Still, the present mood of animosity gives little reason to believe that an April meeting of the West's five major grain exporters in Washington will be able to break the impasse that now looms as the stage for bitter divisive issue separating the United States from its embittered allies. ☐

An air strike with a difference

Harry Steele's last management stint as Canadian-based Eastern Provincial Airways Ltd. is well-known throughout the industry. The once-well-to-do, sometimes abrasive former naval officer has won high praise for transforming the 30-aircraft regional airline from a money-loser, when he took it over in 1978, into a thriving operation. Last year EPA made a profit of \$1 million at a time when most other airlines were reeling under mounting interest losses. But last week Steele's high-flyer operations were providing one sheltered service. The reason was an exceptionally bitter struggle between Steele and a total of 41 striking or locked-out employees.

Reversing Steele's "militaristic" style, union leaders placed much of the blame for the dispute on EPA management. According to Capt Keith Levey, a spokesman for the Canadian Air Line Pilots' Association, the whole affair is a

The unions accuse Steele of behaving in a militaristic fashion and say they have no choice but to fight back

"19th-century forces," Adin Lacey, the union's national spokesman, says of Steele's "right to exist." Indeed, from the start of the dispute EPA's management has dealt roughly with its disgruntled employees. The first rift opened on Jan. 6, when members of the International Association of Machinists and Aerospace Workers (IAMAW), representing EPA's clerical and maintenance workers, voted in favor of a strike at an unscheduled date. The major source of their grievance: the fact that maintenance workers had been offered a 10.5 per cent wage increase, then the 10.5 per cent clerical and other workers. Still, union leaders, annoyed to social discrimination. When the IAMAW employees went to work after the strike vote, they found all the doors at EPA locked. They were not surprised. EPA wanted the union to know that such a vote would result in such action. Explained EPA vice-president of marketing Merv Russell: "We decided to take our lumps, but we weren't going to allow them to hold our passengers hostage through a series of rotating strikes." Then further, he argued, the union would be denied the right to work, which would mean, at any time, that would mean

accepting the company's offer.

Meanwhile, trouble was mounting between Steele and 50 pilots who had been in a legal strike posture since Jan. 31. Their last contract had expired in September 1. Steele's dispute for pensions in general is well-known and so's relations with CAHPA have been uneasy at best. The pilots struck in 1980, and another walkout was only narrowly averted in 1981. The latest standoff began on Jan. 25 when the pilots voted to strike and walked out the following day, claiming that Steele was putting increased productivity below essential safety-related issues such as pilots' duty time and the number of landings per shift. "We would accept any other such contract in Canada," says Lacey.

The tone of the dispute deteriorated as the two sides publicly traded insults. The pilots were enraged when Steele declined to use negotiators. "Everyone talks about safety this and safety that, but what's the difference between a pilot and a beer, old or his driver?" Steele retorted, saying that a Boeing was as docile as a Greyhound. Lacey retorted that management should "get out of the cockpit," because it knows nothing about flying. The pilots accused EPA of provoking the strike to save money, and management countercharged that the pilots were provoking it. Making matters worse, Steele dug in his heels and simply refused to return to the bargaining table with the pilots.

To weather the strike, ATA hired pilots from Ontario's Airline Airways Ltd. on a weekly basis and has managed to keep service running at 40 per cent of capacity, serving some of the points where ATA is the only carrier. "We can go on indefinitely at this level," says Russell. "But we're not trying to break the union, as the pilots say. If we wanted to be really hard-nosed we could have hired on new pilots permanently."

For their part, the striking pilots took the unusual step last week of asking the public to pressure the airline to return to the interest of the public. But that move may not be necessary. At week's end, although Steele had not agreed to return to the bargaining table, it placed a series of newspaper ads making its case to the public. Surprisingly, the pilots responded with an ad of their own, accepting the firm's offer. But whether the hostile media would follow up their tentative truce with a settlement remained unclear. Even if they do, the maintenance and clerical workers will still be out in the cold. What's more, the tentative truce could doom the deal, which will not easily be forgotten. Observes Lacey: "The talk has been down in the gutter. I don't know how we're going to recover from that."

—MICHAEL CLEGGHORN in Halifax

Regan's stopgap auto deal

When International Trade Minister Gerald Regan announced last week that the Japanese had agreed to restrict their auto exports to Canada, his timing could not have been worse. Before Regan was able to make his statement in the Commons, Washington announced that U.S. negotiators had struck a much tougher and more effective bargain. Indeed, Regan's revelation that Tokyo will voluntarily limit imports to 70,000 vehicles in the first six months of the year was dramatically upstaged by Washington's success. Not only did the United States win a pricing agreement, limiting exports to 1.9 million cars, but Toyota Motor Corp. agreed to jointly produce subcompact cars in California with General Motors Corp.



Regan defending the accord: the Americans struck a much tougher bargain.

Those developments opened Regan to attacks from NDP Leader Ed Broadbent, who charged that the minister had returned from Tokyo with "an all" for Canadian workers. United Auto Workers leader Robert White predicted that Japanese automakers will "flood the market once again," without making any commitment to invest in Canada. The reaction of industry executives in Canada was little better. They refused from elaborating the government publicly, but industry sources told Maclean's that there was widespread dissatisfaction with both the short duration of the arrangement and the fact that it did not cover trucks as well as cars.

By his own account, Regan was a victim of circumstance. When he went to Tokyo the previous week he was under heavy pressure to strike a deal. As earlier import agreement had expired on Dec. 31. At the same time, the Japanese

clearly did not want to prejudice their talks with the United States, a much more important market, by striking an aggressive, precedent-setting deal with Ottawa first.

Regan told Maclean's that he was somewhat surprised by the sudden turn of events. Still, he maintained that Ottawa's deal is a good one. He pointed out that in the first six months of 1985, Japanese imports will be cut by 15,000 vehicles from the same period last year and by 22,000 from the first half of 1981. Total imports were 120,000 in 1982 and 150,350 in 1983. Responding to charges that Ottawa had failed in its attempt to convince Tokyo to invest in assembly or manufacturing plants in Canada, Regan countered that that was the job of Industry Minister Edward Leamy. Regan

also said that with the U.S. deal in place he could now go back to Tokyo for talks on limiting imports in the second half of 1985.

Still, as underscored by dissatisfaction with Ottawa's performance in dealing in some sectors of the industry, Patrick Lavelle, president of the Automotive Parts Manufacturers' Association of Canada, is particularly critical of Ottawa's failure to win domestic content agreements from Japanese auto exporters. "When it comes to negotiating with the Japanese," said Lavelle, "we're big boys." Then, taking aim at officials in the international trade department, he added, "The question is, why are we so inept at negotiating these deals?" In the coming weeks, as the bureaucrats return to the bargaining table with Japan, the answer to his question may become clear.

—JAMES FLEMING in Toronto

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MERCURY

A Maritime fixer at centre stage

By Peter G. Newman

The Crown Trust Affair, which will eventually win a place alongside the South Sea Bubble as one of history's great business episodes, had a happy ending this month as Central Trust of Halifax began the daunting salvage job involved.

In the process a fixer almost as notorious as the departed and under-estimated Lenny Rosenberg has emerged on the national business scene. He is Henry B. Rhade, chairman and chief executive officer of Central Trust. A tall, Gatsby-esque individual who exudes a lot of quiet power through an enigmatic glow centred in his quiet office near Halifax's seashore railway station, Rhade seldom grants interviews. When he does, he sticks close to the kind of measured, no-nonsense, most corporate savvy, care for the annual meetings of their shareholders.

In fact, Rhade is one of the more interesting and most capable members of the Nova Scotia legal and corporate establishments.

A war hero, he flew three years of duty as a navigator with the USN, winning the Distinguished Flying Cross with five. Afterward, he studied law at Dalhousie. Frank Covert, his mentor, recalls, "Judges used to fight to get on the appeal court to hear this persuasive young man." Covert also remembers that when Rhade was arguing he gave him and four other students a difficult overnight assignment. "The next morning," he says, "five answers landed on my desk, all from young Henry and all helpful and correct."

After being out of suits with tobacco for a couple of years, Rhade started to practice law and eventually became chief legal adviser to two of the province's most prominent financial dynasties: the Morgans, who run National Sea Products, and the Sobey's, who run just about everything else in the province that isn't covered by the federal. It's an indication of how highly Rhade has been thought of by all his past employers that, although he has been president of Central Trust since 1973, Covert has kept him on as a law partner. Frank Sobey still has him as one of the heads of all his important companies (including presidency of the key Sobey-based Properties Ltd.), and Rhade continues to be a guiding influence at National Sea Products, having until recently been its chairman.

Central Trust, which Rhade is busy expanding into a major national "financial supermarket," already has 96 branches across the country and corporate assets of more than \$2 billion. Its acquisition of Crown will give it 11 more branches and a lot of agency and estate business not previously on its books. "There has been some rumour," said Rhade, "but most of the accounts have stayed with us, especially now that confidence has been restored."

The takeover, which Rhade negotiated, will, in effect, transfer to Central



Rhade: 'confidence restored'

all of Crown's remaining assets for a net cost of only \$3 million, assessed for by the wounded company's fixed assets, such as furniture and real estate. In the process, Crown's creditors (that is shareholders) will have their debts cleared up, courtesy of the trust company's remaining hard assets and with help from the Canada Dupont Insurance Corp.

The deal isn't as uncomplicated as it appears. Rhade may run Central Trust

but he doesn't own it. Some 52 per cent of the company's common shares belong to Stephen Cohen and Leonard Ellen, the two granddads who held 52 per cent of Crown before the firm started. Cohen and Ellen had originally purchased a quarter of Crown's stock in 1978, when John A. (Bud) McDonald was still running Crown's ream. (Cohen was instrumental with the great Bud and his wife, Louise, hand-fabricated McDonald's enameled copper portrait and presented it to him.) Cohen was eventually ousted for Crown's ownership by Conrad Black but still has shares (for \$8 million) to Joseph Barnett, the Toronto business jockey who was Rosenberg's constant boss and financial angel.

Cohen and Ellen (who started corporate life as a lumber wholesaler) run an impressive corporate empire out of Montreal. N.R., managed through a private outfit barely known as Standard Investments. It includes N.R. Insurance Co. Ltd. (a mortgage insurance company with assets of \$400 million), Rheostat Inc. (which has a plant making aircraft components in Sackville, N.B.) and United Financial Management Ltd., a Toronto-based holding company which runs a group of various funds as well as the Continental Trust Co. Cohen and Ellen took a run at trying to take over Quebec's giant Credit Foncier in 1979, but the provincial government blocked the sale. They quietly moved west of the border instead and acquired controlling interest in LifeSource, a Georgia-based life insurance firm which operates in 26 states.

Central Trust remains the galaxy's most important holding, but Cohen is known to be looking around for other targets. Rhade doesn't like to discuss his prospects but he more told a friend: "If I had to speak about Mr. Cohen, I'd tell that little story in the Bible about Jesus going to the Sea of Galilee. There were two fishermen there, and they were casting their nets into the side of their boat and weren't catching anything so they cast their nets on the other side and came up with a net full of fish. One of the fishermen was Andrew, and when He recruited the others as disciples He said something like, 'You will now be fishers of men.' Well, Stephen Cohen is a great fisher of men. He has very good judgement in assessing people, particularly in judging their personal assets and motivating them to use their strengths."

Ruben Cohen's son is not



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Clark (second from right) at CRTC hearings, Irving (below); cross-examine last case

MEDIA

Probing the Irving empire

Between 1945, when K.C. Irving bought his first newspaper, and 1970, the Saint John industrialist gained almost total ownership of the English-language news media of New Brunswick. The Irving interests, now in the hands of his three sons, include all four of the province's English-language daily newspapers as well as a radio and television station and a monthly magazine. But last week in Fredericton, Irving's great and broadest empire was challenged in a dispute that could affect not only its holdings but those of other Canadian media giants as well.

The action was a Canadian Radio-television and Telecommunications Commission (CRTC) hearing into an application for a license renewal by the Irving-owned CBC television station in Saint John. What attracted particular attention to a normally routine event was that the hearings provided the first test of a new federal government directive to the CRTC. Since July the commission has been under orders to restrict or deny licenses or renewals in so-called cross-ownership situations unless there are special circumstances. Cross-ownership is defined as the control by one company of two kinds of media in one area. In the Irving family's case, it was not only the TV station, which can be picked up throughout most of the province, but also Saint John's two daily newspapers, *The Telegraph-Journal* and *The Times-Globe*. With media conglomerates across the country watching the case closely, the five-member com-

mission last week reserved its judgment on the CBC application.

From the outset it was clear that the operations of CRTC were worried about this latest of several bids by Ottawa in the past 10 years to break up the Irving's virtual stranglehold on the New Brunswick media. On the day before the CRTC hearing began, the station's lawyers went to the Federal Court of Canada, challenging the validity and constitutionality of the federal directive. At the hearings the Irving's counsel asked the commission to weigh the application only on the station's performance and to defer any consideration of the cross-ownership issue while the station tested the federal directive in the courts. The commission denied the request.

Since a cross was at stake, media watchdogs were fully expected to see some heated remarks from Premier Richard Hatfield, who voiced his personal complaint about the lack of a full-scale, provincewide CBC station in the province (some CRTC programming is picked up by CBC's network of fillets), the three days of hearings were

nearly a doomsday affair. In his testimony CRTC President Kenneth Clark said, "Never in my experience has any member of the Irving family even suggested any particular course of action to me or my staff."

One surprise witness on CRTC's behalf was newspaper columnist Dalton Camp, who lives in Cambridge, N.B. He argued that the province was well served by the Irving-owned outlets and declared, "I would plead with the CRTC not to do as any pleads by throwing open to the untrained benefits and negligible values offered by those outside this province." But, in opposing the CRTC application, Tim Cressy, former director of research for the 1980 CRTC commission on newspaper ownership, noted "the overwhelming dominance" of the Irving interests. Said Cressy, who appeared on behalf of the Consumers Association of Canada: "If the Irving group's Saint John combination of media outlets under common control is not an unacceptable instance of multiple-media concentration in the same market under the government's direction to the CRTC, it is difficult to imagine any situation in Canada that would be unacceptable."

While the New Brunswick cross-ownership situation is clearly unique in Canada, there are others that are increasingly come under the CRTC's scrutiny. Thomson Newspapers Ltd., for one, controls cable outlets in areas where it publishes newspapers. The Blackburn family of London, Ont., owns that city's daily newspaper, *The Free Press*, and a television station. And in Calgary, the media-based Maclean-Hunter Ltd. owns CTV-TV, the CFCB AM and FM radio stations and a portion of the *Calgary Star*. In May the communications corporation (and Maclean's publisher) will be appearing before the CRTC to review its Calgary licenses.

As for the city of Saint John, its media future seems uncertain. If the CRTC refuses to renew CRTC's license when its ruling comes down, possibly next month, the Irving family could end up selling the station to the CRTC. Although it appears likely that the corporation would agree to acquire CRTC, there is no guarantee, and Hatfield's long-standing grievance that the province has been ill-served by the network could cause more goings-on.

—DAVID FORSTER in Fredericton



TECHNOLOGY

A scramble to stop the pay TV pirates

Like many other Canadians, Neil Leighton watched the debut of pay TV on Feb. 1 last, unlike 35,000 other pay-TV cable subscribers in his region. Leighton was not paying \$15.95 for the pleasure. The 24-year-old electronics student from the Northern Alberta Institute of Technology had built a "filter" in 20 minutes using 34 worth of parts which "cleans" the picture-carrying pulse that cable companies use to prevent accepting customers from receiving a pay TV signal. But the student was not intentionally trying to steal from the cable company. "I was just curious to see if it could be done," he said.

The advent of pay TV in Canada was like the firing of a starting pistol: it started a cross-country race to buy or build decoders. In the first week of February alone all Radio Shack stores in Edmonton were sold out of the various electronic parts needed to make a decoder. In Winnipeg, J & J Electronics Ltd. reported daily sales of more than 1,000 components, a main component used to make decoders among other electronic devices. And in Toronto a pay TV decoder store which opened in mid-February says it has sold 300 decoder units at \$15 each. The store owner claims, however, that the units are meant to pull in only U.S. pay TV signals. As a result, the demand has created a new video black market, and many cable companies which remove the pay TV signals use satellite and retransmit them to subscribers are looking to the law and new technology for help. But, if the leading edge of this desecrating stampede is any indication, cable companies and pay TV networks can expect a long and far-reaching series of technological warfare and legal disputes.

Scrambling—a blanket term to describe a method of directing a TV picture—can be achieved in four ways: the systems that are most vulnerable to tampering are the so-called positive or negative traps, which are electronic devices placed on cable TV wires leading to subscribers' homes. Positive traps filter out the audio signal, which discards the video and audio signal on selected pay TV channels. The negative trap, on the

other hand, merely prevents the pay signals from reaching the television sets. A third scrambling method uses built-in decoders with microchips that generate pay signals. The most complex scrambling technique is the so-called addressable system, which is controlled by a company's central computer. The computer feeds the home decoders random scramble codes, which theoretically nullify a video thief who may crack a single system but not several.



Leighton with his decoder (photograph courtesy)

Explains Cliff Williams, vice-president and general manager of Rogers Cable-television Inc. in Toronto: "It's like the U.S. Mt. St. Helens system in which the samples are randomly moved from site to site."

The message from the cable companies is clear: pay TV pirates will be prosecuted. In a press release last week the Canadian Cable Television Association warned "that paying pay TV signals is illegal." The Criminal Code, it said, forbids unauthorized use of telecommunications services. The code further stipulates that companies that sell devices or components whose primary purpose is to steal a telecommunications service

are committing a punishable offense. Any person convicted of paying pay TV could receive a maximum sentence of 10 years in jail. Last month in Mississauga, Ont., a man was charged with theft of the three-year-old Tele-choice pay TV service. Albert Brodeur received a year's probation and was ordered to pay \$70. Edward Polanski, president of SCTV, says that his company's lawyers are already looking into some possible cases of pay TV theft by the new video criminals.

For its part, the Canadian Radio-television and Telecommunications Commission has so far taken a hands-off approach to the problem. Kenneth Kuts, legal counsel for the CRTC, says that it is not an advice under the Broadcast Act to build decoders. The network, however, anticipates other problems. Albert Foster, chairman of Star Channel pay TV network in the Atlantic provinces, says, "What we're worried about is satellite dishes [that intercept transmissions] in anticipation of that problem, Star Channel plans to start scrambling their satellite transmissions in cable company distributors next year."

But, if the new Canadian companies are looking to the U.S. experience for help, they will find little comfort. There, pay TV piracy has been a thriving business since the introduction of the system 20 years ago. Though there are federal and state laws against paying pay TV signals, they are rarely enforced. As a result, pay TV companies have hired private investigators to root out offenders.

While the majority of companies are clearly worried about the trend, Rogers in Toronto, for one, is unconcerned—for now. The company, which is now using an easily decoded positive trap, will convert to the random scrambling technique within a month. Williams believes that the hard scramble will make piracy so difficult and expensive that freeholders will end up paying for the service. Others are not so optimistic. Says Victor Marshall, chief executive officer at First Choice: "There's always some electronic genius who will break the code." Neil Leighton would agree.

—PETER GIFFORD in Toronto, with Peter Corby-Gowde in Winnipeg

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A new bookmark for the blind

Blind students who have to "read" hundreds of pages for course assignments have long faced a handicap not shared by their sighted classmates. Textbooks are now widely available on tape cassettes—so-called talking books—but hunting for specific pages has been a time-consuming task that involves running the recorded tape through a tape player at fast-forward speed and counting the electronic beeps that mark each transcribed page.

Sighted people have experienced similar frustrations trying to locate individual passages of taped music. Now, a 23-year-old graduate physics student at the University of British Columbia has come up with a revolutionary way to index taped material—an invention that could earn him the grade of Canada's 36,000 blind people and many more music collectors. Andre Van Schynkel has perfected a system that allows anyone listening to a cassette to hear a voice citing the page number or reference word over the electronic bubble of a tape machine running on fast-forward or preview mode.

Van Schynkel's solution was simple. He first worked out the precise mathematical relationships between normal and fast-forward speeds. That done, he programmed a computer chip to index the tape as the material was recorded. When, for example, a reader taps a book, the page number he is reading into the recorder—and the system overlays the reference at a slower than normal speed. The sound is inaudible when the tape is playing normally, but it can be heard as a sharp beep when the fast-forward button is pushed.

The first models of the \$2,100 Van Schynkel Voice Indexing System, for which he has a patent pending, will be available next month. But the two small Vancouver-area companies handling the production and marketing of the units have already received 10 orders from companies in the United States, Canada and South Africa that record books for the blind, as well as from the Library of Congress in Washington. A branch of the UBC library is now using the system to record a dictionary of sponges and sponges for the blind.



Van Schynkel with assistant, a phisicist/inventor

Vancouver-based Ambrose International Inc., the firm making the units, estimates that the inventor will earn \$100,000 in the next two years alone.

In the meantime, Van Schynkel and two associates from UBC have begun developing another potentially valuable invention—a new hearing aid for the profoundly deaf. Unlike conventional hearing aids which merely amplify sound, the new unit would compress the frequency of sound—a change that would make it easier for people who can hear only low frequencies. Said Van Schynkel matter-of-factly: "If you get a chance to think of something that helps a lot of people and is cheap enough to manufacture and sell, it's really a no-loss situation."

—MALCOLM GRAY in Vancouver

The flight of the campus recruiters

By Lesley Kruger

When students from the Class of 1983 entered university, engineering and commerce degrees were regarded as virtual "gold tickets." Employment after graduation seemed certain. "I have never chipped from four years ago saying that was the route to go," says University of Toronto commerce graduate Thomas Smith. But now, as students like Smith are about to graduate, they are being forced to scramble for whatever jobs and salaries they can get. The recession has hit technical and engineering graduates with a dream-shattering impact.

The students' predicament started to become clear last fall when only half of the high-profile corporations that completed the 1982 graduates bothered to recruit on Canadian campuses. Well-known employers such as DeLacour Inc., Du Pont Canada Inc. and Stelco Inc. did not show at all. Last year 12 foreign positions were recruited by Canadian graduates at the University of Toronto, this year there were none. Even the firms that did appear hired only half the number of people they did last year.

University career counselors are surprised by the suddenness of the decline. "In September and October of 1981, all the western companies came east to steal engineers," recalls Ron Franklin, director of the University of Toronto's placement centre. "They held seminars in the fall saying they could hire as many engineers as this country could produce." But in fact, Franklin says, graduating students who had been offered jobs that fall saw the offers retracted before they could even start work. The situation worsened last summer, and during the fall the Class of 1982 felt the full force of the recession. But blue-collar workers and university arts graduates 12 months before.

Patricia Werner, executive director of the Canada-wide University and College Placement Association (CUPA), has charted this year's slump. While 68 out of 100 students in the CUPA interviewed students in Atlantic Canada last year, she says, only 53 were on hand to recruit this year's graduates. Elsewhere in Canada the drop was comparable — from 53 to 49 companies in the West, 82 to 46 in Quebec and 111 to 71 in Ontario. "I make mistakes worse, while last year each employer filled an average of 63 positions, this year the average dropped to 53.4," Thorne laments from the end of October, adds Werner. "If anything



Engineering graduates in U of T placement office: recession was dream-shattering

has changed since then, it's for the worse."

An final course approach, the reaction of technical and engineering students to the drop is predictably sober. "People on campus don't exchange information about who's interviewing as readily as they did even last year," notes Beverly Young, manager of the Canada Employment Centre at Dalhousie University in Halifax. "It's a sign of the increased competition." Other placement officers have found students more willing to seek career advice. Jennifer Tip-O'Joy of the University of Alberta employment centre in Edmonton says she has seen a rise in the number of graduates wanting help in job preparation and résumé writing. But many students, while they are resigned to making compromises, remain hopeful. Ray Kingland, for one, finished his bachelor's degree in mechanical engineering at U of T during the last boom year, 1980. He decided to return to school and, although he now has a master's degree, he is entering a much tougher job market. "I have lower my standards," he says realistically. But the situation seems temporary to Kingland. "This is just a cyclical recession," he says. "There was one in 1979 and one in 1976, and this year is just a bigger one. But in between there's always opportunity."

Placement officers, however, are less sanguine. "It would like to believe this is a short-term problem," says U of T's Franklin. "But I have a feeling this is part of a long-term thing." She says employers tell her they do not know

whether future hiring will reach past levels but, far from continued expansion, she sees a trend toward smaller staff levels. Bruce McTavish, personnel manager for Du Pont, does not discuss the nation. Although it normally hires 30 to 60 engineering, computer science and commerce graduates each year, Du Pont this year will not recruit a single one. Recruitment has been down during past recessions and up during boom times, McTavish notes, but he adds "I'm not sure we will see a repeat of that. It could be time to get off the roller coaster."

Competition from efficient Japanese companies has forced North American corporations to rethink their hiring strategies, says McTavish. If they streamline middle and upper management by using reserve talent to better advantage, that could mean fewer available positions even in good times. And that is not an entirely pleasant scenario. "It's something, unfortunately, some firms have been trying to get us prepared for some years," McTavish admits.

Meanwhile, with university enrollment on the rise across the country, the worst could be yet to come. High school graduates are feeling the recession by upgrading their credentials, and the unemployed are returning to school. But, even as they jockey for the few available openings, individual students tend to view themselves as exceptions. "Maybe I'm entirely hopeful," says the U of T's Thomas Smith, who has not received a job offer. "But I will find what I can and work myself up." ☐

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Farewell to the gang at the front

By Lawrence O'Toole

When *The Mary Tyler Moore Show* went off the air after seven years in 1975, *The New Yorker* ran a column of a eulogy for its TV set over a cliff. The column read: THE DAY THE MARY TYLER MOORE SHOW ENDED. Next week, when the 11-year-old *M*A*S*H* calls a ceasefire in a special 24-hour farewell, many viewers may be tempted to toss their sets into the abyss. Like Mary Richards and Lou Grant, Klinger and Hot Lips have become fond fixtures of North American life. Indeed, during the past decade no other situation comedy has had such a hold on the imagination and loyalty of television audiences. For the average 35 million viewers who have made *M*A*S*H* a weekly habit, its departure will be anything but painless.

The final episode, on Feb. 28, which is confidently expected to draw a record audience, including some seven million Canadians, has recreated the momentous apprehension that preceded the famous "We Shot It" episode of October 1980. If millions could cure so much about the fate of a charring villain, there is an estimating the emotion involved in parting with the ingenious 407th Mobile Army Surgical Hospital unit in the Korean War zone. Warner (A. Kinsley) and a record 56 constructions, *M*A*S*H* kept the jokes and the blood flowing for 251 episodes. In its infancy, *M*A*S*H* was a breakthrough in situation comedy: the language was as colloquial as television could get at the time, and its editing barely disguised a war then raging in Vietnam as another one. *M*A*S*H* touched a nerve, particularly in American life, bandaging the psychological wounds of Vietnam and, at the same time, tickling a universal funny bone.

Since then Robert Altman's seminal 1970 movie, the television series retained the settings, the characters and, most important, the tone of its wide-screen counterpart. Irreverent, raucy, often scathingly mad, the film's impact was enhanced by an empathy for the ongoing loss of life. Glimpses of blood kept slipping into the war as a nightmare. Still, apart from a occasionally brutal football game, the movie contained no physical violence, and the only guns heard were those pointing and clicking the savage and savagely funny remark.

The timing of the TV spin-off was propitious. The grievous effects of Vietnam were finally being tabulated as



The *M*A*S*H* crew (from left) Farrell as B.J. Hunnicutt; David Ogden Stiers as Charles Emerson Winchester III; Alan as Hawkeye; Swill as Hot Lips; Morgan as Potter; William Christopher as Father Mulcahy, and (standing) Furr as Klinger

*M*A*S*H* had its debut in 1982, and the country's self-esteem was at a low ebb. It could ease laughs—and some cried: "That it was allowed to be on the air during the tail end of the Vietnam War itself gave the viewer a riposte seal," says Larry Gelbart, who with Gene Reynolds created the series, coproduced it for three years and wrote a large number of its episodes. "There wasn't the distance of the six critical years and its awayness removed footage but a lot of the human element. It was important that the body was still warm."

Indeed, by concentrating on survival both on the operating table and away

from it, *M*A*S*H* celebrated life and, now then, lamented its loss. As the warring rages at the centre of the action—Hawkeye, Potter (Alan Alda), Trapper (John Wayne Rogers) and later, B.J. Hunnicutt (Mike Farrell)—exhausted withdrawal, they turned a blind eye to the messy palette of pain before them. *M*A*S*H* mourned, but without resorting to the ritual platitudes. For the viewer it served as a sort of Irish wit: reflecting raucous and retrospective.

Long a voice of dissent among the tributes to the series, director Robert Altman remains its unrivalling progres-



Alan with operating crew (left): Swill and Morgan bandaging psychological wounds of Vietnam while talking the long bone

tor. "The series was done for commerce, not for art," he says. "Having an Asian war in the living room for more than a decade is an unadmitted kind of propaganda, filled with easy liberal statements." Altman claims that the movie "made the audience pay for their laughs. We would show evidence and that we would show the ultimate in bad taste." Naturally, Alan Alda, who has written and even directed many episodes of the TV series over the years, has

long after a hard day's work. Over the years, Hot Lips' guard lowered like a drawbridge. It was wonderful to watch her melt when she and Hawkeye, her anti-cornerer, sought each other's embraces in a night of shuffling. Some people, Ed Gled, Margaret Hadrian found out how to relax.

The show held up a mirror for the audience to see its own reflection—with few exceptions on it. One of its most winning characters was the unex-

pected Klinger (James Frawley), with his hairy chest poking through other gaudy dresses. Getting up in drag was Klinger's way of staying sane on a merry-go-round of sadness. And when he felt a hard as Radie (Gary Burghoff), whose heart was where his head should have been. None of that mattered because Radie was capable of doing what the others could not: the drudge work.

The often cruel pranks *M*A*S*H* members pulled on each other were not, on the face of it, forgivable. It was mostly when Hawkeye and B.J. put the legs of Hot Lips' flunko in a cast the day before their nuptials. But what put such pranks into perspective were all those choppers swooping in with the war victims. What for-

gone the said its rapacious, insatiable and apathy toward each other was its stifling professionalism. Nobody slacked off; intuitively Hot Lips ran to her job, even at her wedding dress.

Aloud all, the jokes gave *M*A*S*H* its pure fiction. But they have the luxurious work-up that tends to mark most situation comedy. In *M*A*S*H* the jokes were verbal Frankensteins, just saying: "Will somebody change the subject?" pleads the constantly harassed nurse commander, Col. Potter (Harry Morgan). "Why didn't we treat it?" asks Hawkeye smugly.

For more than a decade *M*A*S*H* exceeded expectations, for many viewers it was a needed antidote after their own days at the front. But during the last few seasons Alda complained about the deteriorating quality of the scripts and he was borne out in his judgment. In a recent segment a depressed (it's not a Korean soldier, who later died in the net) to him. Potter's consolation to the soldier, "I'm only a doctor, there are some wounds I just can't treat," is unworthy of the show that broke the Ben Casey-Dr. Kildare mould. In light of that, Gelbart likes to think nostalgically of the show as being "missing in action." To others, its end is seen as euthanasia.

According to Gelbart, plans are already under way for a sequel, or a spin-off, to *M*A*S*H* that will follow some of the characters into civilian life. While it is somehow appropriate that the characters be given a stay of execution, for the time being everyone is content to pay their respects and raise a martini glass to one of television's finest and, happily, loquacious moments. ☐

Furr: verbal Freud





In Toronto, the latest ear gear; (below) a Montrealer on Crescent Street fighting off the cold

FASHION

The return of the earmuff

Since 1873, when Chester Greenwood, a 37-year-old from Plainfield, Me., stuck two pieces of cloth on a coil of spring metal and invented Greenwood's Chignon Ear Protectors, the earmuff has drifted in and out of fashion. The earmuff, a fixture with a generation of Canadian kids who dressed the relatives for palls for slaying parties during the 1940s and 1950s, almost faded from view in the past 30 years. Now, L & G Manufacturing Co. of Boston, since 1983 the largest manufacturer of earmuffs for North America, says that sales have climbed sharply to six million pairs from about 1.6 million pairs in 1980. At an average price of \$20, the proletarian headgear has emerged as the cheapest one way to fight off the cold these big winters.

Despite seasonably mild temperatures across the country this winter, hat-haters of every generation have embraced the ear gear. In Vancouver young skins sport Strawberry Shortcake and Rascal versions. On trendy streets in Toronto and Montreal women sported-leather and pastel-hued earmuffs have cropped up as a standard accessory for those anxious to project expensive new wave lauriers. The overall has piggybacked on the Sony Walkman fad. Audiophiles now buy two white muffs called "Bakusans" that wrap directly onto each headphone surface. But the knickest traffic is where

it has always been, at bottom-of-the-line brightly colored Berg earmuffs. Maureen Baskin, Toronto-based women's accessories buyer for the T. Eaton Co., said that although this is the first year the product has been introduced, Eaton's stores across Canada



have already sold more than 12,000 pairs at \$5 each.

Inevitably, the fashion industry is eagerly lining up the boomlet. This winter, for the first time, upscale buyers can purchase far earmuffs made for Hark Bandow clothing stores (\$18 for a pair in fox and as much as \$66 for rabbit muffs with plastic or velvet hands). Other carriage-grade shoppers can choose from a more exclusive made-to-order stock with fur handbands from.

Credits President Thomas Crow, who first saw the muffs being worn in New York last year, has been urging his far customers this year to buy his new matching earmuffs in more than eight hues of mist and its shades of dyed beaver. Credits furrier Michael Mitchell reports that the store has sold more than 800 pairs this year and that orders are "coming in from across the country, including Vancouver and St. John's." Toronto socialite Catherine Leggett is wearing probably the most expensive earmuffs in Canada—a pair fashioned from Credits' Canadian sable that she bought for \$500.

This year's trend has already generated a small farscape for one Canadian distributor. Inspired by the Paris fad, Ralph Orsini, president of the Hamilton-based accessories company, Peapack, started marketing large earmuffs as Christmas gifts. He recommended Bestway's L & G to produce his Big Muffs and to package them in clear plastic containers for sale at \$20 each. So far this season sales in Canada and the United States have been \$1.6 million.

Says Orsini: "When times are tough, the accessory business gets stronger." Instead of buying a new piece of clothing, he says, women are using earmuffs to dress up their existing wardrobes.

While most retailers believe this year's trend will be short-lived, some maintain that the idea of cheap winter protection will survive for at least another season. "They seem to go in cycles," says a delighted David Barzil, sales vice president of L & G. Chester Greenwood would be pleased, if not downright warmed by the new craze.

—ANN WALSHLEY
in Toronto

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A bullish grey market in cheap cameras

Lost fall an angry customer confronted Vancouver camera retailer Jelle Dickinson and demanded to know why he had just paid \$499 for a Nikon P-3 camera body when the same camera, along with a \$243 lens, was listed at only \$700 at another camera store down the street. Dickinson, president of the four-store, Vancouver-based Lens & Shutter camera chain, says the answer lies in the "grey market" he's created by selling heavily discounted surplus Japanese cameras imported from Hong Kong. The legal, but little-known, selling practice threatens to disrupt smaller independent Canadian camera retailers. In fact, Dickinson has moved into grey marketing because he finds himself unable to compete with the price slasher (Nikon Canada charges him \$889 for the P-3 camera body alone).

A year ago the grey market was a subject mainly of interest to economists. But the world collapse of retail sales caused by the recession has created soft markets in consumer products—from bicycles to cars—throughout the world. As factories continued to churn out goods, importers in depressed markets found themselves with huge stockpiles of inventory. Grey marketers step in to buy up the surplus name-brand products at fire sale prices in Europe, Hong Kong and elsewhere. Then they import them into the United States and Canada, paying full duty, and sell them through an informal marketing network of discount stores. The result has been a boon to consumers—some through such products come without factory warranties—but a headache to independent retailers who buy from official distributors at higher prices.

Amateur photographer Manjiv Gargia, a Vancouver customs broker, bought a Nikon FM camera body at Lens & Shutter last Christmas. "But they didn't carry the lens I needed because of something they called the grey market, which they said was undercutting their price," she says. She went to look for the grey market and found it at nearby Broadway Camera. Roughly 75 per cent of the store's wares are "grey" stock, and Gargia paid \$200 less for the lens than she had expected. Says Gargia: "This certainly not mean I look to be getting equipment the way I was I got far more for my money on the grey market."

Robert Black, vice-president of



Nurburn: a grey marketer

Black's Camera, Canada's largest camera chain, estimates that 30 to 40 per cent of all popular cameras sold in the United States do not arrive through usual trade channels. But he contends that the grey market movement in Canada is minimal. "Certainly nobody has approached us with grey market goods, and we're the biggest buyer in the country," he says. Mark Nurburn, a 47-year-old Toronto dentist and grey marketer, disagrees. "Of course there is a grey market here," he argues. "Why else would Nikon drop the price of its P-3 to \$109?" because I was bringing them in for \$50 less than wholesale."

Retailer Dickinson has begun to buy from grey market suppliers but he is not happy. "The Japanese would have closed down the grey market in 10 months by cutting back production," he says. "But they wouldn't. Their concern is with maintaining full employment in Japan, not with gouging their opera-

tions to the needs of the Canadian economy."

Birk Olsen, owner of Toronto's Queen Street Camera Boutique, also blames Japanese manufacturers for the growth of the grey market. Says Olsen: "They're only interested in numbers, in units of sales for their factories. They don't mind if Canadian retailers are selling their goods—so long as they don't damage their market. Japanese companies dispute the claim. "We discourage grey market merchandise whenever we can," says Nikon Canada marketing manager John Setnick.

Olsen Dickinson and Olsen had decided last fall to turn "grey" with five to 10 per cent of their stock, they did not have to look for a supplier. There are several small Canadian grey market operators and half a dozen major U.S. traders in business. Nurburn, known in the trade as "The Tooth Fairy," is Canada's biggest grey market trader and a major force in the international "grey" trading community. Says Nurburn: "Call it international discounting if you like. It's really like the commodities market." Nurburn finds that European or Asian dealers gladly part with their glut of cameras at cost—or sometimes below cost. In turn, he supplies North American stores with Minolta, Pentax and Nikon equipment at six to 16 per cent below official distributors' cost.

Dickinson estimates that five per cent of sales in Vancouver camera stores are grey market goods—and that the figure may be on the rise. Olsen agrees. "I'm being approached by several grey market dealers a week. I think the grey market is just beginning in Canada," he says.

Distributors like Nikon Canada admit there is little they can do to combat the grey marketers beyond special promotions and rebates. And economists view the phenomenon as a temporary clearing of the marketplace. "This year it's cameras, next year it may be computers," says Edward Dornickel, senior policy analyst with the Toronto-based C.D. Howe Institute. Official camera suppliers reiterate, however, that grey market buyers get no guarantee and thus face enormous repair bills if a major defect shows up in their purchase. Says Nikon Canada's Setnick: "To a consumer who purchases a camera from a grey market dealer, I say good luck. [He] ends up being an unknowing victim." For the time being, it appears that many camera consumers are prepared to take the risk. ◇

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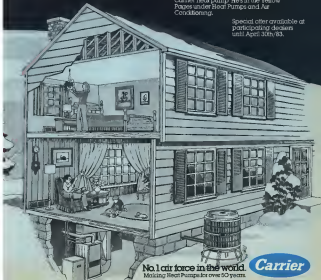
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A new family compact

Drunk driving is one of the largest killers of teenagers in the United States and Canada. In 1988 alone more than 8,000 U.S. teenagers perished in highway accidents. But a new program called *Students Against Drunk Driving* (SADD), which originated in Massachusetts 18 months ago and has

spread to 22 states, is beginning to have an impact on the staggering U.S. statistics, at least. And Canada may not be far behind. The program's success depends upon the use of contracts between students and their parents. In the contract a teenage promises to call his parents if he or she has had too much to

drink to drive home safely. For their part, the parents undertake to pick the teenager up or send a taxi—with no questions asked. Then the family agrees to discuss the incident at a later date.

The contract concept spread fast. Within weeks of the program's start, schools throughout Massachusetts began contacting the program's founder, Robert Anasias, the director of health education in Weyland, 30 km west of Boston. So far, high schools in 20 states—at least 1,000 in the northwestern states alone—have established chapters. "Since last September," says Anasias, "I have been addressing two to three thousand kids a week." As well, groups in several Canadian provinces, including Ontario and Nova Scotia, have written Anasias for information.

Anasias points to the program's impact in Long Island, N.Y. In the past few years that city has averaged at least 80 teenage deaths during the Christmas holidays caused by drunk driving. But in December Anasias visited all the Long Island high schools, selling the program's concept. The result: no teenage drunk-driving deaths occurred. "There is no question that we have saved lives on Long Island," he says.

He also claims that the program is drawing families closer together. "Nearly all the parents say that their kids come to them and spill out all kinds of problems they never talked about before," he says. Malcolm Schweizer, the 26-year-old son of Richard S. Schweizer, U.S. President Ronald Reagan's former secretary of health and human services, agrees. "The idea of a contract not to drive and drink is great," he says. "It helps build a trusting relationship."

But a number of national organizations on alcohol problems are wary of SADD. Mary Jo Green, for one, a policy worker with the National Federation of Parents for Drug-Free Youth in Silver Spring, Md., says, "I personally prefer to see them focus their attention on stopping drinking and not just drunk driving." But Anasias defends his program. "We have failed to stop kids from drinking," he says. "I decided to try the next best thing and stop them drinking and driving."

Dr. Stephanie Brown, director of the Stanford University Alcohol Clinic in California, supports Anasias' view. "I think the SADD contract recognizes the way things really are," Brown says. "A contract that said 'I will not drink' would be ridiculous because teenagers will drink." She adds that in a culture in which it is quite acceptable to drink and drive, organizations like SADD are having a tremendous impact. "The whole national outlook has to be changed," she says. "For now, SADD is certainly doing its part."

—WILLIAM LUTHERER IN Washington

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ETHICS

The lost innocence of child sponsorship

By Brian D. Johnson

Of all the charities designed to siphon dollars into developing countries, few pack the emotional punch of child-sponsorship programs. Foster parent plans do not just ask for money; they offer the donor a relationship with the recipient—a Third World child whose existence is usually witnessed by a steady flow of letters and photographs. But child sponsorship is losing its innocence. And Canadian church groups recently accused it as a financially inefficient, potentially damaging form of aid.

The controversy started last fall when the United Church of Canada's in-house magazine, *Mendicant*, ran a cover story featuring a picture of a Korean child with the provocative headline: PLEASE DO NOT SPONSOR THIS CHILD. THERE ARE BETTER WAYS TO HELP. Inside was an article by Peter Walker, editor of the *New Internationalist*, an independent British magazine selecting individual families for foster aid, wrote Walker, deepens inequality and jealousy within Third World communities. He argued that the paperwork involved in treating one area and the "small army of social workers who travel around keeping tabs on the families" consume money that would otherwise be available for aid and the child's best with the sponsor, he claimed, promotes dependency. "There's nothing like [having to write] a thank-you letter to keep you in your place," he wrote.

As the debate spilled into the newspaper and official columns of the *Edmonton Journal* and the *Saskatoon Star-Phoenix* last month, officials of Foster Parents Plan and World Vision, the country's largest sponsorship agencies, charged that the United Church was attacking their work in order to divert charity dollars into church mission efforts. But United Church Moderator Clarke MacDonald replied that after 25 years the church dismantled its only child-sponsorship project in Hong Kong last fall because it was convinced that "the adoption of an individual child is not the best way to operate." Other Canadian groups have echoed his view, in-

cluding the Canadian Save the Children Fund, which is re-evaluating its sponsorship program.

Although the U.S.-based, nondenominational Foster Parents Plan is trying to shift the emphasis of its aid toward the emergency rather than the individual child, a large chunk of FPP's operational aid still goes directly to families (its 45,000 Canadian donors cost \$23 a month to serve 55,000 children in 22 countries last year.) And of the \$64 mil-

lion and salaries for its employees in the field.

But Moderator Editor Morna Neilson argues that it is cheaper and simpler to process aid through church channels because the structures are already in place. "And we take exception to the use of a planned child as a model for the situation," she adds. "It makes the whole thing wrong. We are not saying fostering is wrong; but that there is a better way." Counters FPP's Canadian deputy director, Paula McDevish:

"There is a different way. If you want to be involved in a less emotional appeal, fine; just write a cheque. But sponsorship fills the bill for people who want personal contact."

While both World Vision and FPP claim that the recent wave of criticism has not eroded their support, some foster parents are starting to express doubts. Daisy Stone, who corresponds with a Haitian FPP child sponsored by a church group in Glenora, Man., says that the organization will not "drop the child in midstream" but she concedes that sponsorship "would not appear to be the most efficient way to help." Adds Katherine Harfield, who, with her husband, Steven, has aided seven foster children through FPP for 15 years. "My heart tells me there might be a better way, but my heart feels the importance of one-on-one contact." Her husband, an engineer in Calgary, visited their foster family in Manila, the Philippines, and found that a sewing machine he had donated "was reversed like a shirt—on the outside by which the family passed ancestry." But sponsoring isolated achievements is exactly what disturbs



Neilson, a financially inefficient, damaging form of aid?

Rev. Paul Newman, a theology professor at St. Andrew's College in Saskatoon and a former missionary at the United Church's Hong Kong project. "In some countries," he says, "it's an offense to introduce competition, to possess individuality."

Sponsorship programs were developed in 1957 to rescue war orphans. Now they assist mostly to children in poor families. With the growing appeal to paternal postures in aid, however, critics are asking: The Third World is for the night; may press increasingly unpopular. ☐



Kingsley and Hodge: the tangle of language that confuses people's lives

FILMS

A tongue-tied triad

BETRAYAL

Directed by David Jones

Betrayal is neither more nor less than Harold Pinter's play photographed in realistic settings. Jerry (Jeremy Irons) has been having an affair with Emma (Patricia Hodge), the wife of his best friend, Robert (Ira Kingsley). The men are also connected professionally: Jerry is a literary agent, Robert is a publisher. Pinter places the three at a point two years after the affair is finished, and the film moves backward in time until it reaches the first moment of betrayal, which, ironically, is the only moment of happiness. The reverse-shot process is little more than a theatrical conceit; it would have been far better had the movie begun at the betrayal and proceeded into the ensuing complication.

Structurally, *Betrayal* works much better on the stage. And, as in every Pinter play, the dialogue is pared down to laconic proportions, and each exchange is filled by nine-month-pregnant pauses. When Jerry asks Emma who she is, she replies "Piss Betty?" (Long pause) "All right." Pinter is concerned with the tangle of language that confuses people's lives. Within the environment of the stage, where the viewer's concentration is more secure, the language often creates a musicality.

on the screen the words fight against the realistic mode. The characters sound arch, stilted and more like spokesmen for the playwright's ideas than credible people. There is another major problem: Jerry, Emma and Robert are as boring as a head cold. There is never any indication, apart from the moment of betrayal when their rivalry is blatant, that they ever experience any joy, passion or even just plain fun.

It is all the actors can do to prevent themselves from turning into talking heads. As Jerry, a man prone to hysterical reactions, Irons battles gamely to find a character within a network of nerves. Unfortunately, Irons' pallid complexion and attenuated frame only make the character more miserable-looking. As the cool, collected but cunning Robert, Kingsley still has not shrugged some of the mannerisms from his recent, magnificent portrayal of Mahatma Gandhi. Patricia Hodge, a London stage actress with laughing eyes, has a sappiness more virile than the other two.

Jerry, Robert and Emma are almost emotional comets. They are people who mean what they say but never say what they really mean. Obviously, Pinter intended it as such. It is time for him to reverse the process and find pauses that refresh rather than stretch patience.

—LAWRENCE O'TOOLE

Slipping on Freud's legacy

LOVESICK

Directed by Marshall Brickman

Countertransference is the professional term for Dudley Moore's condition in *Lovesick*, when, playing a psychiatrist, he falls in love with one of his patients. Luckily for the audience, she is played by Elizabeth McGovern, the only gentle pleasure in this otherwise writhing and unenjoyable farce. The director, Marshall Brickman, seems to be highly disgruntled with analysts. Indeed, Freud, who acts as the doctor's conscience and appears in the form of Alvin Karpis, says, "It was an interesting experiment; I never meant it to become an industry." As it proceeds with its tiresome, half-baked romance, *Lovesick* views analysis as either hopelessly irresponsible or as stuffed shirts. Brickman, best known as Woody Allen's collaborator in *Annie Hall* and *Manhattan*, seems determined to scourge psychoanalysis. But he does it without any real passion or anger.

Shot in a chic and antiseptic style, the movie is as tasteless in its treatment toward therapy that it could be called anal-retentive for the way it holds back. And who better to suit as the shrink than Dudley Moore—an actor who is too intent on making a face over to display genuine rage. His relationship with McGovern is devoid of eroticism, which, for a movie titled *Lovesick* is somewhat strange. But, as the object of Moore's affections, McGovern, who played the beautiful Betty's Night in *Agony*, is a welcome breese of normalcy: an everything else around her becomes frantic, with her deep-set eyes and slightly crushed upper lip, it is easy to believe that a therapist would feel head over heels for her. As a young playwright who suffers anxiety attacks, McGovern tries hard to find a character that is too sparingly written into the script. She is as rebelling as a therapy session that magically makes bad thoughts disappear.

A funny man in the past, Brickman made a first movie, *Sinbad*, that was friendly and sharp, filled with laconic gags. A misanthropic revisitor of that loquacious survives in *Lovesick*. A middle-aged patient who has not spoken a word in years breaks through his silence with a dream: "While I was having intercourse with my mother, my father was taking photographs. Then I sprouted wings and flew around the room." Would there were much more of the same. Initially titled *Vahine*, *Lovesick* has a similar effect.

—L. O'T.

Irish Mist goes after



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Anshara quietly and deeply affecting

Childhood's languid end

BUDDY REVER

Directed by Robert Opari

In his first film—the beautiful black-and-white *Muddy River*—director Takako Opari shows the delicate emotional restraint and cool eye for composition that characterize the Japanese genius in art. This modest story of a boy's farewell to innocence is quietly and deeply affecting. The time is 1964, and Japan has not yet reaped the benefits of its other national genres: electrosex, nihilism. The father of the boy has opened a magazine emporium and lives happily with his second wife. The boy, Nobuo (Shoburaku Anshara), is left to wander about on his own and form a friendship with a ragamuffin. Kikuri (Shimizu Kikuri), who lives on a riverboat with his mother and sister Nobue, is amazed at his friend's scrappy clothes and strange home, and the two sniff each other out like pups as they set up their systems of communication.

The film is languid, like a gullible trawling through the water. Witnessing a fatal accident, Nobuo watches the scene intently. He agonizes his eyes to suggest what he is thinking. "So it is death, and people leave when they die." When he discovers that Kikuri's mother speaks her children by growling, growling, he is astonished. The respect for the character in *Muddy River* enjoys little respect in film; this film is one of the select few that can truly be called lovely.

—L. OT

BOOKS

The history of the Earth is written in stone

IN SUSPECT TERRAIN

By John McPhee
(McGraw-Hill, \$20
pages, \$16.95)

The essential quality that always emanates from journalism in *The New Yorker* magazine, whether well-drawn, maddening or boring, is a wholehearted belief in the respect of dogmatically presented fact. Now *New Yorker* writers rarely murmur an argument; they accumulate one in the drift of their research. Staff writer John McPhee has been particularly successful at the craft. His diverse journalistic pursuits travel directly from the pages of the magazine into book form, where several of them (*Barren and Range*, *Comeback Into the Country*) have provoked thoughtful commentary and favorable reviews. With his newest book, *Is Suspect Terrain*, McPhee sets out to "do geology." His access route into the field is a successful, slightly maverick colleague named Anita Harris, who works for the United States Geological Survey and has found new indicators for discovering oil. They take a long drive together from Brooklyn across the northeastern United States, gathering rock samples, geological observations and factual discussions which should illuminate a landscape. Instead, they pile up the redemptive rubble that a glacial period in front of itself.

McPhee reveals a few things about geology: Harris' maverick streak is directed at the geological dogma of "the plate tectonics boys." Plate tectonics theory sprang forth full-blown in the 1960s and explains every feature of the globe with just one picture: "The shell of the Earth is divided into segments of varying size, which separate to form oceans, collide to make mountains, and slide by one another causing buildings to fail." Like the rest of humanity, geologists are susceptible to the one theory that explains it all, and perhaps more so, considering the long time spans and huge vistas with which they work. Harris is also seduced by the long view but she takes her hammer to the Appalachian mountains and reads evidence in the rocks that pollen plenty of holes in the all-encompassing theory of the plate tectonics people. It turns out that the history of the Earth is written in stone but that geologists have a surprising latitude for interpretation.

By describing Harris and her aversion to plate tectonics, McPhee seems to want to say something profound about the nature of biology—indeed, about the process of science and the social biases of trained scientific wisdom. He ambles through nice set pieces on oil, coal and diamonds, and land-grabs from Indiana, and finally does receive a lot of sustained information on the development of the theory of the sea age, which certainly revolutionized geology in the 19th century. Does he drive parallels from there to Anita Harris and the new theories? Not in so many words. McPhee has that teaching *New Yorker* belief that meaning will emanate from little stories told all in a row. He does not draw conclusions, provide a structure of ideas or a direction, other than the one in which he actually dwells. As a result, his book promises and hints but never says anything of more than passing interest to the reader who goes along for the ride.

—ANNE COLLINS

MACLEAN'S BEST-SELLER LIST

Fiction

- 1 *Sigees, Malabar* (2)
- 2 2010 *Orsony Two, Clerk* (2)
- 3 *Masters of the Game, Shales* (2)
- 4 *Foundation's Edge, Arcum* (2)
- 5 *Different Seasons, King* (4)
- 6 *Myriad's Daughter, Rourke* (2)
- 7 *The Pencil Music, Latham* (2)
- 8 *The Moon of Jupiter, Weiss* (2)
- 9 *The Prodigal Daughter, Archer* (3)
- 10 *The Valley of Horses, And* (2)

Nonfiction

- 1 *Girls: An Intimate Portrait of the Liberal Party, McCall-Nyones* (4)
- 2 *The Establishment Man: A Portrait of Power, Nyones* (2)
- 3 *Who We Are Like Canadians, Brown* (2)
- 4 *Males in the Mountains, Pethermore* (2)
- 5 *The Sorcerer's Apprentices, Foster* (2)
- 6 *Margaret's, Neuber* (2)
- 7 *In Search of the Unknown, Pether and Williams* (2)
- 8 *And Now by Andy Rourke, Brown* (2)
- 9 *Brown and Bell in the Sky, Smith and Telling* (2)
- 10 *Towers of Gold, Frost of Clay, Brown* (2)

(1) Figures last week

MUSIC

Rock 'n' roll unearths its own roots

By Brian D. Johnson

Rockabilly, the mongrel offspring of white country swing and black rhythm and blues, peaked almost as soon as it was born in 1950s America. By 1960 Elvis Presley was lost to the edge, Buddy Holly, the Big Boy and Eddie Cochran had died in accidents on their way to rock and Gene Vincent was fading into alcoholic obscurity. With the advent of 1960s psychedelia and 1970s technology, rock 'n' roll steadily paved over its own roots. But now a new generation of modern rockers is looking back on the synthetic landscape of electro-pop through songs that revive the unadorned pursuit of hot cars, warm girls and cold beer. Rockabilly has finally resurfaced in the North American mainstream with the breakthrough of *The Stray Cats*, three Americans in their early 30s who have cloned the sound and image of their parental era. Last week the band's album *Rock for Speed* was creating the charts with international sales of 3.1 million copies, 200,000 of them in Canada.

On the tails of *The Stray Cats'* success, dozens of rockabilly bands have emerged across Canada and the United States, including *The Bonaparts*, *The Paladins* and *The Flaminies* in Toronto, *The Draggones* in Edmonton and *Buddy Seftich* and the Saviors and *Harold Nic* in Vancouver. As well, vintage rockabilly artists, including Canadians Jack Starr and Forrest Hawkins, are enjoying revivals, and recently many major record companies have renewed old rockabilly classics.

Meanwhile, some of the new bands are trying to recapture the main melody with fun and looks. Unlike the power trion that turned rock into Roman spectacle during the past decade, a low-tech rockabilly trio requires only a guitar, a stand-up bass and half a drum kit—at age 30, most pretexts for the contemporary lifestyle. Rejuvenated to perform, the music also offers midweek relief from hard times. "I've always liked rockabilly because of its raw energy," says Rocky Craig, 30, lead singer of Vancouver's Rockabilly Kings. "You just go out and have a good time—there's no political message to it."

By tapping outgoing and incoming generations of rock, rockabilly draws a diverse cross section of fans. When 27-year-old Toronto singer-guitarist Johnny Dee Pury performed in a local club earlier this month, a punk in chains and leather and a middle-aged pit-buller stood out from a largely young, suburban crowd. Pury, his grizzled pumpdriver looking in the rhythm, strided across the stage with one leg jacked out in the air—a com-

had modest success, two albums have sold nearly 15,000 copies each, and the band has played numerous U.S. clubs including the Mile in New York City. But it now sounds more like a gritty hard rock group than the rockabilly band it started out as three years ago.

Real rockabilly, explains Repeater manager David Smith, requires a slapping bass with rapped pressure click of strings striking from Sigsbee's Hooters of Toronto's Paladins, which uses a stand-up bass. "A lot of people have a superficial image of rockabilly because of the style thing—the pink Cadillac, the clothes and hair. We're more concerned with the music." But musicology appears to be the last concern of audiences who show up at such venues as Vancouver's Commodore Ballroom in 1980s and 1990s, styles—men wearing ground dactyls, black party shoes and wearing shirts, and women sporting poodle skirts and prom dresses.

While rockabilly attracts its image, promoters of the sound are pleased simply to see their music back in vogue. Jack Scott, who was born in Windsor, Ont., and now lives in Michigan, had 10 singles on the U.S. charts from 1958 to 1961, setting a record broken only by The Beatles. In 1980, he started a band again, working with such acts as *My Free Love* and *Goodbye Baby*. Now 47, Scott abandoned rock for country music in the 1970s because "everyone wanted to do psychedelia, music and one single style." But when Scott was invited to play a rockabilly concert in Memphis five years ago, he was astonished to find 20,000 fans dressed in 1950s gear calling for old songs he had not played in 20 years.

Critics have alternately lauded the rockabilly revival as a breath of fresh air and dismissed it as a symptom of rock's flagging creativity. Forever lining its legacy to generational success, rock has a habit of showing its own tail. When *The Stray Cats'* singer and guitarist Brian Setzer, 33, discovered The Beatles as a child, his father had to tell him that *Howdy Do!* was written by a certain Carl Perkins, who had also penned an obscure song called *River Shores*.

While most fans in Vancouver had modest success, two albums have sold nearly 15,000 copies each, and the band has played numerous U.S. clubs including the Mile in New York City. But it now sounds more like a gritty hard rock group than the rockabilly band it started out as three years ago.

Because terms like young in rock 'n' roll, most rockabilly artists want to avoid falling into a rut for the sake of authenticity. The Japanese, Canada's most established rockabilly band, has



Pury, the pursuit of hot cars, warm women and cold beer

Photo by [unreadable]

Master of the decisive moment

French photojournalist Henri Cartier-Bresson is the master of what he calls the "decisive moment." He has always used his camera to snap a stunning image, making it yield beauty and meaning where before there had only been a blur. Whether he was attending important events in history—Gandhi's funeral, the last days of imperial China—or bearing witness to anonymous, private lives, he has sought to fix forever the precise and telling moment. Henri Cartier-Bresson's Photography, an exhibition currently at Toronto's Canadian Centre of Photography and Film and scheduled to travel to Calgary, Montreal and Winnipeg, features more than 150 pictures dated from 1929 to 1979. At first dizzying in its veracity, the show is steadied by the infusion of Cartier-Bresson's vision.

Mechanically, what made the approach possible was a 35-mm camera. Cartier-Bresson acquired in 1929. Unobtrusive, fast and small, the device was a miniature compared to the heavy equipment that serious photographers before him had used. For Cartier-Bresson, born in 1908 and trained as a painter, the machine was a means to an artistic end, a way to make visible the daily mysteries and patterns that pass unnoticed by the naked eye. Trained by the photographer, a Spanish child reared in kindly ignorance of more than casual interest and awareness caught in the flashes of some stage repertoire, he in essence simply identified as *Behind the Glass Saint-Germain*, Paris, 1932, a mass jump over a public and, without meaning to, manages to isolate perfectly the dancer on a poster in the distance behind him.

Indeed, there are many pictures that seem to be the result of pure serendipity. But Cartier-Bresson did not bank on luck. While always denouncing manipulation in shooting or in the darkroom, he did not take such irresponsibility. Besides alertness of "the brain, the eye, the heart" and "a supple body,"

he has said that his approach also requires "concentration, a discipline of mind, sensitivity, and a sense of geometry." All of these qualities are strikingly evident in *Funeral of a Spanish Actor*, Japan, 1962. Four snapshots display the still symmetry of weeping station, standing for some universal grief. Arranged by the photographer's eye and registered as fact, a sense of circumstances turns into exquisite design.

Even working as a photojournalist and as a founder of Magnum Photos, one of the world's best-known press

gangs what was actually going on when the shutter clicked. Nevertheless, the image exerts a powerful draw, assailing thoughts of obsession, pleasure and pain. In the same way, the picture of a treasured road in Rio, France, contains no real information. Its appeal rests in a haunting perspective that reveals loneliness and order in the landscape.

Despite a reputation as a disengaged reporter and one of the century's foremost street photographers, Cartier-Bresson has not totally taken things as he found them. Sometimes he imposed a



Gasapo informer being disarmed, 1945: a scene like I could catch the world

agenda. Cartier-Bresson was alert to "the precise organization of forms which give that event its proper expression." It is a photograph that depicts the degradation of a Gestapo informer, the drama is so formally framed that it becomes a tableau of timeless hatred and rage.

A publication that accompanied his one-man show at the Museum of Modern Art in 1946 hailed him as a "documentary humanist," but Cartier-Bresson himself told an interviewer in 1977, "I have never been interested in the documentary aspect of photography except as a poetic expression." From a picture of a muscular man in a state of unexplained agitation, sitting next to piles of women's shoes, it is only possible to

bestrewn and life-enhancing point of view that today might be dismissed as sentimental. However, while it may seem that there are too many photographs of children leading ordinary lives and looking extraordinarily graceful, *Mothers Cartier-Bresson*, photographer continues work of seeking order to affect work of vision. Even such a frequently reproduced image as that of the Pacific parrot on the banks of the Marne has sufficient force to argue convincingly that bliss is attainable on earth. Four people, backs to the camera, eyes on the water, hands occupied with food and drink, seem to prove irrefragably that, at least for a fraction of time, life can be sweet.

—DAVID LIVINGSTONE

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The Conservatives and the outs

By Allan Fotheringham

The Poets of Pauline, aka Joe Clark in Search of Happiness, is playing at your local neighbourhood theatre, accompanied by the screams of delight as patrons watch the Tory party bear down upon the third bid period to the voters. It is the best-selling show in town and will continue at its current location for the next four months, breaking box office records, selling lots of papers and proving to be the funniest hit since Laurel and Hardy stopped hitting each other with wet pillows. The Liberals, in the

spectrum of Canadian politics, supply armaments, sickness and the exercise of power. The New Democratic Party supplies social criticism, reform ideas and a lot of young ladies in macrobiotic hairstyles. The Conservatives, bless their fringed little hearts, provide the barge-in: they jump, tap-dance and drop their pants—especially when they are 35 points up in the Gallup poll.

Now that we are out of the starting gate, you should be supplied with a dance card for the coming months. The champions of a party (which the public prefers to government but which doesn't have a leader) will be jockeying across the country, explaining why the Winnipeg abolitionists they tried to shoot themselves in the foot but missed and hit a portion of the audience slightly higher. Joe, himself a man who has spent his life in constant struggle with the Peter Principle, is like a blind man in a dark room, shaking his firm and challenging, the "businessmen" to come get him. Here's how the schedule follows closely and take notes.

The first phantom out of the closet will be one small one and one wealthy one. David Coombe, the only tiny perfect former mayor of the largest city in the land who was supposed the largest departmental budget in the Clark government but was burned from the Clark (see exhibit), will allow that due to overwhelming demand—i.e., the six million Canadians who are under five-foot-six—he has been to the coroner.

Allan Fotheringham is a columnist for Southern News.

will and reluctantly will accept Joe's challenge to have a visible phantom.

At the same time, the socialist phantom since Marley's ghost, John Crocker, will render homage and tell a few reverse Neville jokes (What's the black and blue and found in the harbor? Terrorism) who tell Neville jokes while allowing that due to the aggressive cries for help from concerned Canadians, he is reluctantly letting his name be put forward. There is continued mattering in the Tory caucus, now up to some 30 of the 101 MPs who brought Clark down by their stalled indifference to his char-



ismatic gifts that the averaged, bearded, spontaneous draft of Peter Loughheed is not gathering steam, because of Clark's refusal to get off the track. Ways are discussed on how to persuade Clark to leave (A Vancouver dealership in Vancouver is mentioned.)

At this stage, those in charge of arranging the annual, spontaneous demand for the services of Brian Mulroney have a problem. His strongest opponent would be Peter Loughheed. Wait? Loughheed declares, or declares first? As someone who has shunned the role of mere MP, he must not appear too eager. But he must play the bluff card, to stop the Bill Davis and to induce Loughheed into the race. It is essentially a dead joke, late Friday night, late at night in the air, a case of staring each other down. (Clark is in the other room, playing pinocchio.)

In the end, Loughheed outwits Mulroney, and the Mulroney corporate executives, citing his mode as the one of a politician in East Canada, declares

that due to overwhelming demand it is necessary that Quebec have a challenger to become the next Conservative leader and prime minister. Paul Hellyer makes threatening noises. Senator Keith Davey cancels his subscription to First Choice's Magazine Top of War and settles down to watch the movie *Parade of Victoria's Struggle*. Don Mazanowski raises his eyes to the heavens and wonders why his mother never raised him to play, as threatened, the mandarin.

There are nothing, near-desperate attempts at finding a way to convince Clark that he is dragging the party down the soap hole, that strongman Loughheed will come in only if Joe gets out. Dalton Camp, holder of the offshore secret about the Abu Dhabi money that secretly enriched Clark in Winnipeg, is stuck with the ex-leader, an option played out. The new card left is Robert Stanfield, the only politician in a party that can't even find or sustain a leader. Only Stanfield has the belt to convince Clark to take a powder.

Peter Blake, ordering three more suits from Yves-Marie Matur's tailor, makes a feint. No one notices. At this point, with Loughheed stymied by Clark's refusal to allow the Alberta premier to be the only champion of the West, Birmingham Billy Davis succumbs to the overwhelming demand of Hugh Segal, who plays politics the way Oscar Levant once played the chessmen, and demurely enters the race, so as to save the centre from Maloney, Stan Roberts, ex-head of Canada West, head of the Canadian Chamber of Commerce, makes a feint. People ask, who is Stan Roberts? There is no answer.

Desperate, those who want Clark out and Loughheed to go to plead with Stanfield. Stanfield puts Joe on his knee and has a heart-to-heart. Joe, emboldened by failure, refuses to listen to him. As someone who has had and kicked in his face all his life, he now enjoys the sensation. Those ropes pinning him to the raft float, well, like worms. Loughheed, with his gift of one tongue, is forced to stay out. It is Davis vs. Maloney. It is Ontario vs. Quebec. The Family Compact House I sure had to you before.





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